



0000130964

# Transcript Exhibit(s)

Docket #(s): W-02031A-10-0168

W-02327A-10-0169  
W-1906A-10-0170  
W-01906A-10-0171  
W-02031A-10-0171  
W-02327A-10-0171  
W-01906A-10-0183  
W-02031A-10-0184  
W-02327A-10-0185

Arizona Corporation Commission

**DOCKETED**

NOV 4 2011

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*[Signature]*

Exhibit #: A1-A5

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To: Docket Control

Date: November 4, 2011

Re: Indiada Water Company / Rates  
W-02031A-10-0168, etc.  
Volumes I and II, Concluded  
September 14 and October 19, 2011

### **STATUS OF ORIGINAL EXHIBITS**

#### ***FILED WITH DOCKET CONTROL***

#### Indiada Water Company (A Exhibits)

1 through 10, 12

#### Staff (S Exhibits)

1 through 7

***EXHIBITS RETURNED TO PARTIES***

Indiada Water Company (A Exhibits)

11

Withdrawn

Copy to:

Ms. Belinda A. Martin, ALJ  
Mr. Steve Wene, Indiada Water Company  
Mr. Wesley Van Cleve, Staff

ORIGINAL

RECEIVED

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Phoenix, Arizona 85004  
Telephone: 602-604-2141  
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2010 AUG 30 P 1:12

AZ CORP COMMISSION  
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

**COMMISSIONERS**

KRISTIN K. MAYES, CHAIRMAN  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

Arizona Corporation Commission

DOCKETED

AUG 30 2010

DOCKETED BY

*[Signature]*

EXHIBIT

A-1

ADMITTED

**EAST SLOPE WATER COMPANY'S  
APPLICATION FOR AN PERMANENT  
INCREASE IN ITS WATER RATES**

Docket No. W-01906A-10-0170

**AMENDED RATE APPLICATION**

The East Slope Water Company ("Company" or "East Slope"), hereby submit this amended rate application for an increase in water rates. This application is being amended at the request of the Arizona Corporation Commission Staff ("Staff"). This application for proposed rates has been assembled for comparative purposes per Staff's request, and even though provides stand alone financial analysis for East Slope, it is the desire of the ownership that the Company be consolidated with Indiada Water Company and Antelope Water Company into one entity. This new entity would be structured as a Class C water company.



1 **SUPPORTING DOCUMENTATION**

2 Pursuant to A.A.R. Rule 14-2-103, the Company submits the following  
3  
4 documentation in support of the proposed increase in rates and charges:

- 5 • Direct Testimony of Sonn S. Rowell (see Exhibit 1);
- 6 • Required Schedules, Statements, and Documentation (see Exhibit 2);
- 7 • Water Use Data Sheets (see Exhibit 3 (previously provided));
- 8 • Plant Descriptions (see Exhibit 4 (previously provided));
- 9 • ADEQ Compliance Status Report (see Exhibit 5 (previously provided));
- 10 • Monitoring Assistance Program Sampling Fee Invoice (see Exhibit 6 (previously  
11 provided));
- 12 • Water Quality Testing Information (see Exhibit 7); and
- 13 • Water Quality Testing Invoices (see Exhibit 8).

14 As previously discussed with Staff's legal counsel, the public notice for this application  
15 will be provided by the Company pursuant to hearing officer order once the hearing is  
16 set.

17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
RESPECTFULLY SUBMITTED this 30<sup>th</sup> day of August, 2010.

**MOYES SELLERS & SIMS**



Steve Wene  
Attorneys for Company

1 Original and 15 copies of the foregoing  
2 filed this 30<sup>th</sup> day of August, 2010, with:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 West Washington  
6 Phoenix, Arizona 85007

7  
8 Donnelly Herbert  
9  
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# **EXHIBIT 1**

1                   **BEFORE THE ARIZONA CORPORATION COMMISSION**

2  
3           **COMMISSIONERS**

4           KRISTIN K. MAYES, CHAIRMAN  
5           GARY PIERCE  
6           PAUL NEWMAN  
7           SANDRA D. KENNEDY  
8           BOB STUMP

9           **APPLICATION OF EAST SLOPE**  
10          **WATER COMPANY, INC. FOR A**  
11          **PERMANENT INCREASE IN ITS**  
12          **WATER RATES**

**DIRECT TESTIMONY OF**  
                  **SONN S. ROWELL**

13          **Q-1   Please state your name and current employment position:**

14          **A-1   My name is Sonn S. Rowell, and I am a Certified Public Accountant and a**  
15  
16          managing member of Desert Mountain Analytical Services, PLLC ("DMAS").

17          **Q-2   Describe your educational and professional background:**

18          **A-2   I hold a Bachelor of Science Degree in Accounting from Arizona State University,**  
19  
20          as well as my CPA certification from the Arizona State Board of Accountancy. I have  
21          worked for many years in the practice of public accounting and regulatory consulting,  
22          and have held part-time accountancy teaching positions at Mesa Community College.  
23  
24          After employment with the Accounting and Rates Section of the Utilities Division at the  
25          Arizona Corporation Commission for four years, I started DMAS and now specialize in  
26          regulatory accounting and consulting.  
27  
28

1 **Q-3 By whom are you employed and in what capacity?**

2 **A-3** I have been retained by the owners of East Slope Water Company ("East Slope" or  
3 "Company") and its management company, Southwestern Utility Management, Inc.  
4 ("SUM") to prepare rate and finance applications for submittal to the Arizona  
5 Corporation Commission.  
6

7 **Q-4 What is the purpose of your testimony?**

8 **A-4** The purpose of my testimony is to present my analysis and recommendations  
9 concerning the development of the Company gross revenue requirement, taking into  
10 account adjusted rate base, adjusted operating income, working capital requirements,  
11 current rate of return, required operating income, required rate of return for the historic  
12 twelve month period, and other relevant factors to sponsor certain exhibits in support of  
13 the rate and finance applications.  
14  
15  
16

17 **Q-5 Please summarize the Company proposal.**

18 **A-5** East Slope is seeking an increase in gross revenue of approximately \$331,372, or a  
19 rate increase of approximately 160.33%, for its customers to pay for increased  
20 operational expenses and needed improvements that will be funded with the proposed  
21 loan from the Water Infrastructure Finance Authority ("WIFA").  
22

23 **Q-6 What is the basis for your recommendation?**

24 **A-6** I analyzed the Companies records to determine the adjusted revenues and  
25 expenses during the test year ending December 31, 2009. Next, I calculated a reasonable  
26 revenue requirement in order to ensure the Companies can earn sufficient revenue to pay  
27 ongoing operating expenses, the debt service on the proposed WIFA loan, and provide  
28

1 adequate and reliable water service to its customers. Based upon my analysis, I have  
2 prepared the schedules in accordance with A.A.C. Rule 14-2-103 that are set forth in  
3 Application Exhibit 2, which I adopt as part of my testimony.  
4

5 **Q-7 Please identify and explain the adjustments made on Schedule C-1 – Adjusted**  
6 **Test Year Income Statement of this application.**  
7

8 **A-7** Adjustment A was made to reduce surcharge revenue by \$11,773 to eliminate the  
9 revenue generated by the emergency surcharge, which will be discontinued at the  
10 inception of new rates.  
11

12 **Q-8 Please explain Adjustments B and C.**

13 **A-8** Adjustment B removes \$433 of purchased power expense incurred prior to the test  
14 year. Adjustment C removes \$70 of expenses prior to the test year, and adds back \$90 of  
15 expenses related to December of 2009.  
16

17 **Q-9 Please explain Adjustments D, E, and F.**

18 **A-9** Adjustment D, as reflected on Schedule C-2a removes office related expenses that  
19 appeared on the general ledger prior to the test year, and added expenses incurred during  
20 the test year but were recorded in the general ledger subsequent to it.  
21

22 Schedule C-2b depicts Adjustment E to Outside Services. Part of this adjustment  
23 normalizes accounting expenses for the test year, but the major portion of Adjustment E  
24 removes management fees recorded in the general ledger and replaces them per the  
25 calculation at the bottom of Schedule C-2b. Due to the dire financial situation of this  
26 company, SUM has been charging a reduced rate for its services. However, this is a  
27  
28

1 temporary arrangement, and the correct amount must be included in the proposed revenue  
2 requirement.

3  
4 Adjustment F is calculated on Schedule C-2c, and is similar in purpose to Adjustment D.

5 **Q-10 How did you determine the amount of proposed rate case expense?**

6 **A-10** My estimate for Adjustment G is detailed in the following table. The current test  
7 year amount includes amounts paid for the 2009 emergency rate case.

Test Year Expense	\$1,775
Estimated Rate Case Expense	\$30,000
Subtotal	\$31,775
Recovery period	3
Annual recovery amount	\$10,592
Adjustment amount	\$8,817

13  
14 **Q-11 Please explain how you calculated Adjustment H to depreciation expense.**

15 **A-11** Schedule C-2d begins with plant in service at the end of the test year, and applies  
16 depreciation rates normally recommended by Staff, resulting in proposed depreciation  
17 expense of \$28,229, or an increase of \$15,755 over test year actual expense of \$12,474.

18  
19 **Q-12 Please explain Adjustments I and J on Schedule C-1.**

20 **A-12** Adjustment I adjusts payroll taxes (Account 408) by \$202 to remove negative  
21 payroll tax expense from when the utility had employees. Like Adjustment F, since a  
22 management contract with SUM now in place, this amount will not recur.

23 Adjustment J removes property tax expense that is outside the current test year.

24  
25 **Q-13 Please explain Adjustment K to Income Tax Expense.**

26 **A-13** East Slope is structured as a C-Corp, and as a result, income tax expense must be  
27 recovered in rates. The calculation to determine adjusted test year income tax expense is  
28

1 detailed on Schedule C-2e, and is negative due to the adjusted test year resulting in a net  
2 loss.

3  
4 **Q-14 Please explain the increase to interest expense of \$108,406 as reflected by**  
5 **Adjustment L.**

6 **A-14** The \$108,406 of interest expense represents the prorata share of the proposed  
7 \$3,000,000 consolidated WIFA loan to improve all three commonly owned systems. The  
8 East Slope share of the WIFA loan is estimated as \$2,197,952, amortized at 5% over a  
9 20-year period.  
10

11  
12 **Q-15 How was Adjustment M determined?**

13 **A-15** Adjustment M increased metered water revenue from the adjusted test year  
14 amount of \$203,436, by \$331,372 to \$534,808 for East Slope, per the calculation set forth  
15 on Schedule A-1.  
16

17 **Q-16 Finally, please explain Adjustment N.**

18 **A-16** Adjustment N is detailed on Schedule C-2f, and calculated proposed income tax  
19 expense based upon the proposed revenue and expenses.  
20

21 **Q-17 Please summarize your rate design for East Slope.**

22 **A-17** East Slope currently has customers on four meter sizes: 5/8 by 3/4 inch, 1 inch, 1.5  
23 inch and 2 inch. There are both residential and commercial customers on the 5/8 by 3/4, 1  
24 inch, and 1.5 inch meters. All of the 2 inch customers are commercial customers. The  
25 proposed rates for East Slope were designed to recover the metered water revenue  
26 requirement of \$534,808.  
27  
28



1       The monthly minimums were set using the standard meter size multipliers such  
2       that minimum charge for the 1 inch meters is 2.5 times that of the 5/8 by 3/4 inch meters,  
3       the minimum charge for the 1.5 inch meters is 5 times that of the 5/8 by 3/4 inch meters  
4       and the minimum charge of the 2 inch meters is 8 times that of the 5/8 by 3/4 inch meters.  
5

6       Commodity rates for the 5/8 by 3/4 inch meters have three tiers. The second tier  
7       commodity rate equals 1.8 times the first tier rate and the third tier rate equals 1.8 times  
8       the second tier rate. The tier breaks are set at 3,000 and 10,000 gallons.  
9

10       Commodity rates for the 1 inch meters have two tiers and equal the first two tier  
11       rates for the 5/8 by 3/4 inch meters. The tier break is set at 5,000 gallons. This level of  
12       tier break was selected in order to maximize the conservation benefit of the tiered rate  
13       structure.  
14

15       Commodity rates for the 1.5 inch meters have two tiers and equal the first two tier  
16       rates for the 5/8 by 3/4 inch meters. The tier break is set at 20,000 gallons. This level of  
17       tier break was selected in order to maximize the conservation benefit of the tiered rate  
18       structure.  
19

20       Commodity rates for the 2 inch meters have two tiers and equal the first two tier  
21       rates for the 5/8 by 3/4 inch meters. The tier break is set at 20,000 gallons. This level of  
22       tier break was selected in order to maximize the conservation benefit of the tiered rate  
23       structure.  
24

25       The following table shows the effect of the proposed rates on 5/8 by 3/4 inch  
26       residential customers with median consumption.  
27  
28

Median Gallons	Current Bill (Including Surcharge)	Bill Under Proposed Rates	Percent Increase
5,330	\$22.29	\$33.07	48.35%

**Q-18 Is there anything else you would like to add?**

**A-18** Yes. A complete application including proposed rates has been assembled for East Slope for comparative purposes per Staff's request. Although this application provides stand alone financial analysis for East Slope, it is the desire of the ownership that East Slope be consolidated with Indiada Water Company, Inc., and Antelope Run Water Company, into one entity. This new entity would be structured as a C-Corp, like East Slope as a stand alone entity, and includes a gross up for income tax recovery.

**Q-18 Does this conclude your testimony?**

**A-18** Yes.

# **EXHIBIT 2**

East Slope Water Company  
Test Year Ended December 31, 2009

**Schedule A-1**  
**Title: Computation of Increase in Gross**  
**Revenue Requirements**

Explanation:  
Schedule showing computation of increase in  
gross revenue requirements and spread of revenue  
increase by customer classification.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Special Reqmt	<input type="checkbox"/>

	Original Cost		RCND
1. Adjusted Rate Base	\$ 168,488	(a)	(a)
2. Adjusted Operating Income	\$ (21,870)	(b)	(b)
3. Current Rate of Return	-12.98%		
4. Required Operating Income	\$ 20,219		
5. Required Rate of Return	12.00%		
6. Operating Income Deficiency (4 - 2)	\$ 42,089		
7. Gross Revenue Conversion Factor	1.384	(c)	(c)
8. Increase in Gross Revenue Requirements (6 x 7)	\$ 58,269		
9. Proposed Revenue	\$ 538,058		
10. Required Operating Margin	40.44%		
11. Required Operating Income (9 x 10)	\$ 217,583		
12. Operating Income Deficiency (11 - 2)	\$ 239,453		
13. Gross Revenue Conversion Factor	1.384	(c)	
14. Increase in Gross Revenue Requirements (12 x 13)	\$ 331,372		

Customer Classification	Adjusted Revenue at Present Rates	Revenue at Proposed Rates	Dollar Increase	Percent Increase	
Residential	\$ 187,629	\$ 492,592	\$ 304,963	162.54%	(d)
Commercial	15,807	42,216	26,409	167.07%	
Industrial	-	-	-	0.00%	
Other	3,250	3,250	-	0.00%	
<b>Total</b>	<b>\$ 206,686</b>	<b>\$ 538,058</b>	<b>\$ 331,372</b>	<b>160.33%</b>	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

- (a) B-1 (c) C-3
- (b) C-1 (d) H-1

**East Slope Water Company**  
Test Year Ended December 31, 2009

**Schedule A-2**  
**Title: Summary Results of Operations**

Explanation:  
Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-07	31-Dec-08	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 207,882	\$ 190,700	\$ 218,459	\$ 206,686	\$ 206,686	\$ 538,058
2. Revenue Deductions & Operating Expenses	(221,093)	(192,183)	(228,478)	(228,556)	(228,556)	(320,475)
3. Operating Income	\$ (13,211)	\$ (1,483)	\$ (10,019)	\$ (21,870)	\$ (21,870)	\$ 217,583
4. Other Income and Deductions	-	5,849	-	-	-	-
5. Interest Expense	(13,484)	(10,042)	(1,544)	(109,950)	(109,950)	(109,950)
6. Net Income	<u>\$ (26,695)</u>	<u>\$ (5,676)</u>	<u>\$ (11,563)</u>	<u>\$ (131,820)</u>	<u>\$ (131,820)</u>	<u>\$ 107,633</u>
7. Earned Per Average Common Share*	\$ (5.34)	\$ (1.14)	\$ (2.31)	\$ (26.36)		
8. Dividends Per Common Share*	-	-	-	-		
9. Payout Ratio*	0.00%	0.00%	0.00%	0.00%		
10. Return on Average Invested Capital	-20.85%	-4.74%	-10.50%	-119.75%	-119.75%	97.78%
11. Return on Year End Capital	-20.85%	-5.10%	-10.62%	-121.10%	-121.10%	98.88%
12. Return on Average Common Equity	Double Negative					-215.10%
13. Return on Year End Common Equity						-231.13%
14. Times Bond Interest Earned - Before Inc Tax	-104.75%	-14.77%	-161.79%	-55.73%	-55.73%	245.65%
15. Times Total Interest and Preferred Dividends Earned - After Income Taxes	-97.98%	-14.77%	-648.90%	-19.89%	-19.89%	197.89%

Supporting Schedules:

\*Optional for projected year

- (a) E-2
- (b) C-1
- (c) F-1

**East Slope Water Company**  
Test Year Ended December 31, 2009

**Schedule A-4**  
**Title: Construction Expenditures and**  
**Gross Utility Plant in Service**

Explanation:  
Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for:	All Utilities	<input checked="checked" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Year	Construction Expenditures (a)	Net Plant Placed In Service (b)	Gross Utility Plant In Service
1. Prior Year 1 - 2007	\$ 30,008	\$ 30,008	\$ 463,102
2. Prior Year 2 - 2008	4,316	4,316	467,418
3. Test Year - 2009	27,392	27,392	494,810
4. Projected Year 1	2,197,953	2,197,953	2,692,763
5. Projected *			
6. Projected *			

\* Required only for Class A and B Utilities

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) F-3

(b) E-5

**East Slope Water Company**  
Test Year Ended December 31, 2009

**Schedule B-1**  
**Title: Summary of Original Cost**  
**and RCND**

Explanation:  
Schedule showing elements of adjusted original cost  
and RCND rate bases.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

	<u>Original Cost</u> Rate Base*	<u>RCND</u> Rate Base*
1. Gross Utility Plant in Service	\$ 494,810	
2. Less: Accumulated Depreciation	<u>(330,223)</u>	
3. Net Utility Plant in Service	\$ 164,587 (a)	(b)
<b>Less:</b>		
4. Advances in Aid of Construction	\$ 20,383 (c)	(c)
5. Contributions in Aid of Construction	- (c)	(c)
<b>Add:</b>		
6. Allowance for Working Capital	<u>\$ 24,284 (d)</u>	(d)
<b>7. Total Rate Base</b>	<u><u>\$ 168,488 (e)</u></u>	(e)

\* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) B-2 (d) B-5  
(b) B-3  
(c) E-1

Recap Schedules:

(e) A-1

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule B-2  
Title: Original Cost Rate Base  
Proforma Adjustments

Explanation:  
Schedule showing pro forma adjustments to gross plant  
in service and accumulated depreciation for the original  
cost rate base.

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

	Actual at End Of Test Year (a)	Pro forma Adjustment	Adjusted at End Of Test Year (b)
1. Gross Utility Plant in Service	\$ 494,810		\$ 494,810
2. Less: Accumulated Depreciation	(330,223)		(330,223)
3. Net Utility Plant in Service	\$ 164,587		\$ 164,587
4. Advances in Aid of Construction	\$ 20,383		\$ 20,383
5. Contributions in Aid of Construction	-		-
6. Allowance for Working Capital	\$ 24,284		\$ 24,284
7. Total Rate Base	<u>\$ 168,488</u>		<u>\$ 168,488</u>

*All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.*

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-I



East Slope Water Company  
Test Year Ended December 31, 2009

Schedule B-5  
Title: Computation of Working  
Capital

Explanation:  
Schedule showing computation of working capital allowance.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

	<u>Amount</u>	
1. Cash working capital		
1/24th Purchased Power	\$ 2,182	
1/24th Purchased Water	-	
1/8th Operation & Maintenance Expense	22,102	
2. Materials and Supplies Inventories	-	(a)
3. Prepayments	-	(a)
4. Total Working Capital Allowance	<u>\$ 24,284</u>	(b)

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-1

**East Slope Water Company**  
Test Year Ended December 31, 2009

**Schedule C-1**  
**Title: Adjusted Test Year Income**  
**Statement**

Explanation:  
Schedule showing statement of income for the test year,  
including pro forma adjustments.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specif Reqm	<input type="checkbox"/>

Description	Actual for Test Year Ended (a) 31-Dec-09	Ref	Proforma Adjustments (b)	Test Year Results After Pro Forma Adjustments	Ref	Proposed Rate Increase	Adjusted Test Year With Rate Increase
<b>Operating Revenues:</b>							
461 Metered Water Revenue	\$ 203,436			\$ 203,436	M	\$ 331,372	\$ 534,808
461.1 Surcharge Revenue	11,773	A	\$ (11,773)	-			-
474 Other Water Revenue	3,250			3,250			3,250
<b>Total Operating Revenue</b>	<b>\$ 218,459</b>		<b>\$ (11,773)</b>	<b>\$ 206,686</b>		<b>\$ 331,372</b>	<b>\$ 538,058</b>
<b>Operating Expenses:</b>							
601 Salaries & Wages	\$ -			\$ -			\$ -
610 Purchased Water	-			-			-
615 Purchased Power	52,801	B	(433)	52,368			52,368
618 Chemicals	460			460			460
620 Repairs & Maintenance	11,875	C	20	11,895			11,895
621 Office Supplies and Expense	8,431	D	(185)	8,246			8,246
630 Outside Services	95,049	E	27,100	122,149			122,149
635 Water Testing	3,980			3,980			3,980
641 Rental Expense	-			-			-
650 Transportation Expense	11,822	F	1,181	13,003			13,003
657 Insurance - General Liability	6,491			6,491			6,491
659 Insurance - Health and Life	-			-			-
666 Rate Case Expense	1,775	G	8,817	10,592			10,592
675 Miscellaneous Expense	-			-			-
403 Depreciation & Amortization	12,474	H	15,755	28,229			28,229
408 Taxes Other Than Income	(202)	I	202	-			-
408.11 Property Taxes	16,001	J	(5,454)	10,547			10,547
409 Income Taxes	7,521	K	(46,925)	(39,404)	N	91,919	52,515
<b>Total Operating Expenses</b>	<b>\$ 228,478</b>		<b>\$ 78</b>	<b>\$ 228,556</b>		<b>\$ 91,919</b>	<b>\$ 320,475</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (10,019)</b>		<b>\$ (11,851)</b>	<b>\$ (21,870)</b>	(c)	<b>\$ 239,453</b>	<b>\$ 217,583</b>
<b>Other Income/(Expense):</b>							
419 Interest Income	\$ -			\$ -			\$ -
421 Non-Utility Income	-			-			-
426 Miscellaneous Non-Utility Expenses	-			-			-
427 Interest Expense	(1,544)	L	(108,406)	(109,950)			(109,950)
<b>Total Other Income/(Expense)</b>	<b>\$ (1,544)</b>		<b>\$ (108,406)</b>	<b>\$ (109,950)</b>		<b>\$ -</b>	<b>\$ (109,950)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (11,563)</b>		<b>\$ (120,257)</b>	<b>\$ (131,820)</b>		<b>\$ 239,453</b>	<b>\$ 107,633</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-2  
(b) C-2

Recap Schedules:  
(c) A-1

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule C-2  
Title: Income Statement Proforma  
Adjustments

<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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Required for: All Utilities

Class A

Class B

Class C

Class D

Spec Reqmt

Explanation:  
Schedule itemizing pro forma adjustments to the test year income statement.

Description	A	B	C	D	E	F	G	H	I	J	K	L	M	N	Total (a)
Revenues:															
Metered Water Revenue													\$ 331,372		\$ 331,372
Surcharge Revenue	\$ (11,773)														(11,773)
Expenses:															
Purchased Power		\$ (433)													\$ (433)
Repairs and Maintenance			\$ 20												20
Office Supplies and Expense				\$ (185)											(185)
Outside Services					\$ 27,100										27,100
Transportation Expenses						\$ 1,181									1,181
Rate Case Expense							\$ 8,817								8,817
Depreciation & Amortization								\$ 15,755							15,755
Taxes Other Than Income									\$ 202						202
Property Taxes										\$ (5,454)					(5,454)
Income Taxes											\$ (46,925)				(46,925)
Other Income/(Expense):															
Interest Expense												\$ (108,406)			(108,406)

Adjustment Descriptions:

- A - Remove surcharge revenue from the test year as it is temporary, and will not be included in proposed rates.
- B - Remove expense prior to test year.
- C - Adjust expense to exclude expense prior to test year (\$70), include test year expense of \$90 for December 2009.
- D - Adjust office supplies and expense per calculation on Schedule C-2a.
- E - Adjust outside services expense per calculation on Schedule C-2b.
- F - Adjust transportation expense per calculation on Schedule C-2c.
- G - Increase rate case expense to recover \$1,775 incurred for the emergency rate case, and estimated costs of \$30,000 for this rate case, amortized over 3 years, (\$31,775/3).
- H - Increase depreciation expense based upon proposed depreciation rates per schedule C-2d.
- I - Remove negative payroll tax expense that will not recur due to management contract.
- J - Remove property tax expense outside the current test year.
- K - Adjust test year income tax expense per Schedule C-2e.
- L - Increase expense to include proforma interest expense on the proposed WIFA loan.
- M - Increase metered water revenue per calculation on Schedule A-1.
- N - Increase income taxes for proposed rates per calculation on Schedule C-2f.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:

C-2a through C-2f

Recap Schedules:

(a) C-1

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule C-2a  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OFFICE SUPPLIES AND EXPENSE ADJUSTMENT**

<u>Description</u>	<u>Amount</u>
November 2008 billing forms	\$ (27)
December 2008 billing forms	(27)
December 2009 billing forms	26
November 2008 postage	(211)
December 2008 postage	(213)
December 2009 postage	267
<b>Total Adjustment D</b>	<b>\$ (185)</b>

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule C-2b  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OUTSIDE SERVICES EXPENSE ADJUSTMENT**

<u>Description</u>	<u>Amount</u>
Other November 2008 services	\$ (472)
December 2008 accounting	(195)
December 2009 accounting	195
Remove recorded Test Year management fees expense	(87,926)
Proforma management fees expense	115,498
<b>Total Adjustment E</b>	<b>\$ 27,100</b>

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule C-2c  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED TRANSPORTATION EXPENSE ADJUSTMENT**

Description	Amount
November 2008 mileage	\$ (367)
December 2008 mileage	(1,031)
December 2009 mileage	817
Non-recurring vehicle lease expenses	(200)
Non-recurring vehicle insurance refund	1,962
Total Adjustment F	<u><u>\$ 1,181</u></u>

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule C-2d  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED DEPRECIATION EXPENSE CALCULATION**

Account Number	Description	Plant @ End of Test Year 31-Dec-09	Proposed Depreciation Rate	Ref	Proposed Depreciation Expense
301	Intangibles	\$ 2,180	0.00%		\$ -
303	Land & Land Rights	75	0.00%		-
304	Structures & Improvements	9,003	3.33%		300
307	Wells & Springs	44,427	3.33%	1	318
311	Pumping Equipment	148,499	12.50%		18,562
320	Water Treatment Equipment	-			-
320.1	Water Treatment Plants	-	3.33%		-
320.2	Solution Chemical Feeders	-	20.00%		-
330	Distribution Reservoirs & Standpipes	-	2.22%		-
330.1	Storage Tanks	20,799	2.22%		462
330.2	Pressure Tanks.	5,474	5.00%		274
331	Transmission & Distribution Mains	209,649	2.00%	2	1,701
333	Services	-	3.33%		-
334	Meters & Meter Installations	11,498	8.33%	3	278
335	Hydrants	-	2.00%		-
339	Other Plant and Misc Equipment	-	6.67%		-
340	Office Furniture & Equipment	11,330	6.67%		756
340.1	Computers and Software	-	20.00%		-
341	Transportation Equipment	31,876	20.00%	4	5,578
343	Tools, Shop, and Garage Equipment	-	5.00%		-
345	Power Operated Equipment	-	5.00%		-
348	Other Tangible Plant	-	0.00%		-
<b>Totals</b>		<b>\$ 494,810</b>			<b>\$ 28,229</b>

Test Year Depreciation Expense 12,474

**Total Adjustment H \$ 15,755**

- 1 \$34,863 of the total amount in account 307 - Wells & Springs, is fully depreciated.
- 2 \$124,578 of the total amount in account 331 - Transmission & Distribution Mains, is fully depreciated.
- 3 \$8,166 of the total amount in account 334 - Meters & Meter Installations, is fully depreciated.
- 4 \$3,985 of the total amount in account 341 - Transportation Equipment, is fully depreciated.

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule C-2e  
Title: Income Statement Proforma  
Adjustments

**CALCULATION OF OPERATING INCOME ADJUSTMENT G  
TO TEST YEAR INCOME TAX EXPENSE**

**STATE INCOME TAX CALCULATION:**

Operating Income/(Loss) Before Taxes	\$	(61,274)
Less:		
Estimated Interest Expense		(109,950)
Arizona Taxable Income	\$	(171,224)
Arizona Income Tax Rate		6.9680%
Arizona Income Tax Expense	\$	(11,931)

**FEDERAL INCOME TAX CALCULATION:**

Operating Income/(Loss) Before Taxes	\$	(61,274)
Less:		
Arizona Income Tax	\$	(11,931)
Estimated Interest Expense		(109,950)
Federal Taxable Income	\$	(183,155)
Federal Income Tax Rate		15.0000%
Federal Income Tax Expense	\$	(27,473)
Adjusted Test Year Income Tax Expense	\$	(39,404)
Test Year Income Tax Expense		7,521
Total Adjustment K to Income Taxes	\$	<u>(46,925)</u>



East Slope Water Company  
Test Year Ended December 31, 2009

Schedule C-2f  
Title: Income Statement Proforma  
Adjustments

**CALCULATION OF OPERATING INCOME ADJUSTMENT K  
TO PROPOSED INCOME TAX EXPENSE**

Revenue	\$	538,058	
Operating Expenses Excluding Income Tax		267,960	
Estimated Interest Expense		<u>109,950</u>	
Arizona Taxable Income	\$	160,148	
Arizona Income Tax Rate		<u>6.9680%</u>	
Arizona Income Tax Expense	\$		11,159
Federal Taxable Income	\$	148,989	
Federal Tax on 1st Income Range (\$1 - \$50,000) @ 15%	\$	7,500	
Federal Tax on 2nd Income Range (\$50,001 - \$75,000) @ 25%		6,250	
Federal Tax on 3rd Income Range (\$75,001 - \$100,000) @ 34%		8,500	
Federal Tax on 4th Income Range (\$100,001 - \$335,000) @ 39%		19,106	
Federal Tax on 5th Income Range (\$335,001 - \$10M) @ 34%		<u>-</u>	
Total Federal Income Tax Expense			<u>41,356</u>
Combined Federal and State Income Tax Expense	\$		52,515
Adjusted Test Year Income Tax Expense			(39,404)
Adjustment N to Proposed Income Tax Expense	\$		<u><u>91,919</u></u>

Required Operating Income	\$	217,583	
Adjusted Test Year Operating Income/(Loss)		<u>(21,870)</u>	
Proposed Increase In Operating Income	\$		239,453
Income Taxes On Proposed Revenue	\$	52,515	
Income Taxes On Test Year Revenue		<u>(39,404)</u>	
Proposed Revenue Increase For Income Taxes	\$		91,919
Total Proposed Increase In Revenue	\$		<u><u>331,372</u></u>

East Slope Water Company  
Test Year Ended December 31, 2009

**Schedule C-3**  
**Title: Computation of Gross Revenue**  
**Conversion Factor**

Explanation:  
Schedule showing incremental taxes on gross revenues and  
the development of a gross revenue conversion factor.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Speci Reqmt ☐

Description	Calculation
Revenue	1.000
Combined Federal And State Tax Rate	(0.278)
Subtotal	0.722
<b>Gross Revenue Conversion Factor = 1/Operating Income %</b>	<b>1.384</b>

*CALCULATION OF COMBINED FEDERAL AND STATE TAX RATE:*

Operating Income Before Taxes (Arizona Taxable Income)	100.0000%
Arizona State Income Tax Rate	6.9680%
Federal Taxable Income	93.0320%
Federal Income Tax Rate	20.8000%
Effective Federal Income Tax Rate	19.3507%
Combined Federal And State Income Tax Rates	27.7680%

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule D-1  
Title: Summary Cost of Capital

Explanation:  
Schedule showing elements of capital structure  
and the related cost.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)					\$ 2,197,952	95.28%	5.00%	4.76%
Short-Term Debt (a)								
Wells Fargo Credit Line	\$ 104,877	96.35%	10.75%	10.36%	104,877	4.55%	10.75%	0.49%
N. Watkins note	50,545	46.43%	10.00%	4.64%	50,545	2.19%	10.00%	0.22%
Common Equity (c)	(46,568)	-42.78%	12.00%	-5.13%	(46,568)	-2.02%	12.00%	-0.24%
Totals	<u>\$ 108,854</u>	<u>100.00%</u>		<u>9.87%</u>	<u>\$ 2,306,806</u>	<u>100.00%</u>		<u>5.23%</u>

Supporting Schedules:

- (a) D-2
- (b) D-3
- (c) D-4
- (d) E-1

Recap Schedules:

- (e) A-3

**Schedule E-1**  
**Title: Comparative Balance Sheet**

Required for:	All Utilities	X
	Class A	
	Class B	
	Class C	
	Class D	
	Spec'l Reqmt	

	Test Year At 31-Dec-09	Prior Year 31-Dec-08	Prior Year 31-Dec-07
<b>ASSETS</b>			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 494,810	\$ 467,418	\$ 463,102
103 Property Held for Future Use			
105 Construction Work in Process			
108 Accumulated Depreciation	(330,223)	(314,859)	(300,289)
Total Property Plant & Equipment	\$ 164,587	\$ 152,558	\$ 162,813
Current Assts:			
131 Cash	\$ 8,801	\$ 11,470	\$ 1,795
135 Temporary Cash Investments			
141 Customer Accounts Receivable	6,987		
146 Notes/Receivables from Associated Companies	13,114	13,114	13,114
151 Plant Material and Supplies			
162 Prepayments			
174 Miscellaneous Current and Accrued Assets			
Total Current Assets	\$ 28,902	\$ 24,584	\$ 14,909
<b>TOTAL ASSETS</b>	<b>\$ 193,489</b>	<b>\$ 177,142</b>	<b>\$ 177,722</b>
<b>LIABILITIES and CAPITAL</b>			
Capitalization: (b)			
201 Common Stock Issued	\$ 5,000	\$ 5,000	\$ 5,000
211 Paid in Capital in Excess of Par Value	8,768	8,768	8,768
215 Retained Earnings	(60,336)	(67,275)	(48,494)
218 Proprietary Capital	-	-	-
Total Capital	\$ (46,568)	\$ (53,507)	\$ (34,726)
Current Liabilities:			
231 Accounts Payable	\$ 56,616	\$ 41,775	\$ 21,544
232 Notes Payable (Current Portion)			20,200
234 Notes/Accounts Payable to Associated Companies	-	-	-
235 Customer Deposits	7,440	23,821	4,680
236 Accrued Taxes	196	239	3,276
241 Miscellaneous Current and Accrued Liabilities	155,422	158,895	136,000
Total Current Liabilities	\$ 219,674	\$ 224,730	\$ 185,700
224 Long-Term Debt (Over 12 Months)			
Deferred Credits:			
252 Advances In Aid Of Construction	\$ 20,383	\$ 5,919	\$ 26,748
271 Contributions In Aid Of Construction			
272 Less: Amortization of Contributions			
281 Accumulated Deferred Income Tax			
Total Deferred Credits	\$ 20,383	\$ 5,919	\$ 26,748
Total Liabilities	\$ 240,057	\$ 230,649	\$ 212,448
<b>TOTAL LIABILITIES and CAPITAL</b>	<b>\$ 193,489</b>	<b>\$ 177,142</b>	<b>\$ 177,722</b>
Supporting Schedules:	Recap Schedules:		
(a) E-5	(b) A-3		

**East Slope Water Company**  
**Test Year Ended December 31, 2009**

**Schedule E-2**  
**Title: Comparative Income**  
**Statements**

**Explanation:**

Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Revenues: (a)			
461 Metered Water Revenue	\$ 203,436	\$ 188,569	\$ 204,236
461.1 Surcharge Revenue	11,773	-	-
474 Other Water Revenue	3,250	2,131	3,646
Total Revenues	\$ 218,459	\$ 190,700	\$ 207,882
Operating Expenses (a)			
601 Salaries & Wages	\$ -	\$ 56,250	\$ 83,800
610 Purchased Water	-	-	-
615 Purchased Power	52,801	51,995	55,973
618 Chemicals	460	-	-
620 Repairs and Maintenance	11,875	6,253	5,351
621 Office Supplies and Expense	8,431	12,363	7,823
630 Outside Services	95,049	16,938	-
635 Water Testing	3,980	2,369	1,005
641 Rents	-	1,800	2,400
650 Transportation Expense	11,822	12,259	11,260
657 Insurance - General liability	6,491	3,685	5,298
659 Insurance - Health and Life	-	-	-
666 Regulatory Commission Expense - Rate Case	1,775	-	-
675 Miscellaneous Expense	-	182	10,492
403 Depreciation Expense	12,474	14,664	15,953
408 Taxes Other Than Income	(202)	6,651	10,180
408.11 Property Taxes	16,001	6,774	12,471
409 Income Tax	7,521	-	(913)
Total Operating Expenses	\$ 228,478	\$ 192,183	\$ 221,093
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (10,019)</b>	<b>\$ (1,483)</b>	<b>\$ (13,211)</b>
Other Income/(Expense)			
419 Interest and Dividend Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	5,849	-
426 Miscellaneous Non-Utility Expense	-	-	-
427 Interest Expense	(1,544)	(10,042)	(13,484)
Total Other Income/(Expense)	\$ (1,544)	\$ (4,193)	\$ (13,484)
<b>NET INCOME/(LOSS)</b>	<b>\$ (11,563)</b>	<b>\$ (5,676)</b>	<b>\$ (26,695)</b>

Supporting Schedules:  
(a) E-6

Recap Schedules:  
A-2

**East Slope Water Company**  
Test Year Ended December 31, 2009

**Schedule E-5**  
**Title: Detail of Utility Plant**

Explanation:  
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Account Number	Description	End of Prior Year at 31-Dec-08	Net Additions	End of Test Year at 31-Dec-09
301	Intangibles	\$ 2,180		\$ 2,180
303	Land & Land Rights	75		75
304	Structures & Improvements	9,003		9,003
307	Wells & Springs	44,427		44,427
311	Pumping Equipment	125,355	23,144	148,499
320	Water Treatment Equipment	-		-
320.1	Water Treatment Plants	-		-
320.2	Solution Chemical Feeders	-		-
330	Distribution Reservoirs & Standpipes	-		-
330.1	Storage Tanks	20,799		20,799
330.2	Pressure Tanks.	5,474		5,474
331	Transmission & Distribution Mains	205,401	4,248	209,649
333	Services	-		-
334	Meters & Meter Installations	11,498		11,498
335	Hydrants	-		-
339	Other Plant and Misc Equipment	-		-
340	Office Furniture & Equipment	11,330		11,330
340.1	Computers and Software	-		-
341	Transportation Equipment	31,876		31,876
343	Tools, Shop, and Garage Equipment	-		-
345	Power Operated Equipment	-		-
348	Other Tangible Plant	-		-
<b>Total Plant In Service</b>		<b>\$ 467,418</b>	<b>\$ 27,392</b>	<b>\$ 494,810</b>
108	Accumulated Depreciation	(314,859)		(330,223)
<b>Net Plant In Service</b>		<b>\$ 152,558</b>	<b>\$ 27,392</b>	<b>\$ 164,587</b>
103	Property Held for Future Use	\$ -		\$ -
105	Construction Work in Process	-		-
<b>Total Net Plant</b>		<b>\$ 152,558</b>	<b>\$ 27,392</b>	<b>\$ 164,587</b>

Supporting Schedules:

Recap Schedules:  
E-1 A-4

**East Slope Water Company**  
Test Year Ended December 31, 2009

**Schedule E-7**  
**Title: Operating Statistics**

Explanation:  
Schedule showing key operating statistics in comparative format,  
for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
<b>Water Statistics:</b>			
Gallons Sold - By Class of Service:			
Residential	76,326,708	70,694,604	91,526,085
Commercial	5,514,292	5,107,396	6,612,385
Average Number of Customers - By Class of Service:			
Residential	736	768	735
Commercial	51	53	51
Average Annual Gallons Per Residential Customer	103,705	92,075	124,514
Average Annual Revenue Per Residential Customer	\$ 244.30	\$ 224.41	\$ 279.88
Pumping Cost Per 1,000 Gallons	\$ 0.6452	\$ 0.6859	\$ 0.5703

**East Slope Water Company**  
Test Year Ended December 31, 2009

**Schedule E-8**  
**Title: Taxes Charged to Operations**

Explanation:  
Schedule showing all significant taxes charged to operations for  
the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

Description	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Federal Taxes:			
Income	\$ 7,521	\$ -	\$ (931)
Payroll	(202)	4,753	7,081
Total Federal Taxes	\$ 7,319	\$ 4,753	\$ 6,150
State Taxes:			
Income			
Payroll	-	1,898	3,099
Total State Taxes	\$ -	\$ 1,898	\$ 3,099
Local Taxes:			
Property	\$ 16,001	\$ 6,774	\$ 12,471
<b>Total Taxes</b>	<b>\$ 23,320</b>	<b>\$ 13,425</b>	<b>\$ 21,720</b>

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:



**East Slope Water Company**  
Test Year Ended December 31, 2009

**Schedule E-9**  
**Title: Notes to Financial**  
**Statements**

Explanation:  
Disclosure of important facts pertaining to the understanding  
of the financial statements.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

Disclosures should include, but not be limited to the following:

1 Accounting Method.

**The books of the unconsolidated entity are kept as accrual based, and also follow NARUC rules, including the USoA.**

2 Depreciation lives and methods employed by major classification of utility property.

**For years up to and including the test year 2009, the depreciation rate as authorized in Decision 57076 was 5% for all plant asset categories. Proposed depreciation rates are depicted on Schedule C-2d, and were taken from ACC Engineering Staff Memo regarding their recommended rates for depreciation dated April 21, 2000, and revised March 1, 2001.**

3 Income tax treatment - normalization or flow through.

**Depreciation is the same for ratemaking purposes and income tax purposes.**

4 Interest rate used to charge interest during construction, if applicable.

**Not Applicable.**

Supporting Schedules:

Recap Schedules:

**East Slope Water Company**  
Test Year Ended December 31, 2009

**Schedule F-1**  
**Title: Projected Income Statements -**  
**Present and Proposed Rates**

Explanation:  
Schedule showing an income statement for the projected year,  
compared with actual test year results, at present and proposed  
rates.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

	Actual Test Year Ended (a) 31-Dec-09	Projected Year	
		At Present Rates Year Ended (b) 31-Dec-10	At Proposed Rates Year Ended (b) 31-Dec-10
<b>Operating Revenues:</b>			
461 Metered Water Revenue	\$ 203,436	\$ 203,436	\$ 534,808
461.1 Surcharge Revenue	11,773	-	-
474 Other Water Revenue	3,250	3,250	3,250
<b>Total Operating Revenue</b>	<b>\$ 218,459</b>	<b>\$ 206,686</b>	<b>\$ 538,058</b>
<b>Operating Expenses:</b>			
601 Salaries & Wages	\$ -	\$ -	\$ -
610 Purchased Water	-	-	-
615 Purchased Power	52,801	52,368	52,368
618 Chemicals	460	460	460
620 Repairs & Maintenance	11,875	11,895	11,895
621 Office Supplies and Expense	8,431	8,246	8,246
630 Outside Services	95,049	122,149	122,149
635 Water Testing	3,980	3,980	3,980
641 Rental Expense	-	-	-
650 Transportation Expense	11,822	13,003	13,003
657 Insurance - General Liability	6,491	6,491	6,491
659 Insurance - Health and Life	-	-	-
666 Rate Case Expense	1,775	10,592	10,592
675 Miscellaneous Expense	-	-	-
403 Depreciation & Amortization	12,474	28,229	28,229
408 Property Taxes	(202)	-	-
408.1 Taxes Other Than Income	16,001	10,547	10,547
409 Income Taxes	7,521	(39,404)	52,515
<b>Total Operating Expenses</b>	<b>\$ 228,478</b>	<b>\$ 228,556</b>	<b>\$ 320,475</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (10,019)</b>	<b>\$ (21,870)</b>	<b>\$ 217,583</b>
<b>Other Income/(Expense):</b>			
419 Interest Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	-	-
426 Miscellaneous Non-Utility Expenses	-	-	-
427 Interest Expense	(1,544)	(109,950)	(109,950)
<b>Total Other Income/(Expense)</b>	<b>\$ (1,544)</b>	<b>\$ (109,950)</b>	<b>\$ (109,950)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (11,563)</b>	<b>\$ (131,820)</b>	<b>\$ 107,633</b>
Earnings per share of average Common Stock Outstanding	\$ (2.31)	\$ (26.36)	\$ 21.53
% Return on Common Equity		Negative Equity	

Supporting Schedules:  
(a) E-2

Recap Schedules:  
(b) A-2

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule F-3  
**Title: Projected Construction  
Requirements**

Explanation:  
Schedule showing projected annual construction requirements,  
by property classification, for 1 to 3 years subsequent to the  
test year compared with the test year.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Property Classification	Actual Test Year Ended 12/31/2009	End of Projected Year 1
Production Plant	\$ 192,926	\$ 318,691
Transmission Plant	235,922	2,308,110
Other Plant	65,962	65,962
<b>Total Plant</b>	<b>\$ 494,810</b>	<b>\$ 2,692,763</b>

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:  
(a) F-2 & A-4

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule F-4  
Title: Assumptions Used in  
Developing Projection

Explanation:  
Documentation of important assumptions used in preparing  
forecasts and projections

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth

**The company has experienced no growth in the past few years.**

2 Growth in consumption and customer demand

**The company does not anticipate an increase in customer consumption and demand due to the proposed tiered rate structure.**

3 Changes in expenses

**The company believes the test year 2009, with the limited proforma adjustments included in this application, accurately depict expense levels for the unconsolidated utility going forward.**

4 Construction requirements including production reserves and changes in plant capacity

**The Company is seeking a loan from WIFA for the three commonly owned entities totaling \$3 million to replace lines, add storage, and upgrade pumps and electrical at well and booster sites.**

5 Capital structure changes

**If the proposed consolidation of East Slope Water Company with the two related entities is approved, the new utility's structure would be a C-Corp.**

6 Financing costs, interest rates

**The company proposes to borrow funds from WIFA, and it will be required to pay WIFA's normal fees, reserves, and the prevailing interest rate at the time the loan is closed. East Slope's share of the interest expense is included on the unconsolidated income statement for comparative purposes.**

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule: H-1  
Title: Summary of Revenues by Customer  
Classification - Present and Proposed Rates

Explanation:  
Schedule comparing revenues by customer classification for  
the Test Year, at present and proposed rates.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqm't

X

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)	
	Present Rates	Proposed Rates	Amount	%
<b>Residential</b>				
5/8 x 3/4 inch	\$ 180,219	\$ 474,065	\$ 293,846	163.05%
1 inch	2,993	7,797	4,804	160.50%
1.5 inch	4,417	10,730	6,313	142.91%
<b>Total Residential</b>	<b>\$ 187,629</b>	<b>\$ 492,592</b>	<b>\$ 304,963</b>	<b>162.53%</b>
<b>Commercial</b>				
5/8 x 3/4 inch	\$ 9,534	\$ 25,858	\$ 16,324	171.23%
1 inch	1,844	4,957	3,113	168.87%
1.5 inch	1,855	4,844	2,989	161.08%
2 inch	2,574	6,557	3,983	154.77%
<b>Total Commercial</b>	<b>15,807</b>	<b>42,216</b>	<b>26,409</b>	<b>167.07%</b>
<b>Total Metered Water Revenues</b>	<b>\$ 203,436</b>	<b>\$ 534,808</b>	<b>\$ 331,372</b>	<b>162.89%</b>
Residential Emergency Surcharge	\$ 10,945	\$ -	\$ (10,945)	-100.00%
Commercial Emergency Surcharge	828	-	(828)	-100.00%
Other Revenues	3,250	3,250	-	0.00%
<b>Total Revenues</b>	<b>\$ 218,459</b>	<b>\$ 538,058</b>	<b>\$ 319,598</b>	<b>146.30%</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) H-2

Recap Schedules:  
(b) A-1

East Slope Water Company  
Test Year Ended December 31, 2009

Schedule: H-3  
Title: Changes in Representative Rate  
Schedules - Page 1 of 2

Explanation:  
Schedule comparing present rate schedules with proposed  
rate schedule.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

Description	Present Rate	Proposed Rate	% change
<b>MONTHLY USAGE CHARGE</b>			
5/8" x 3/4" Meter	\$ 9.00	\$ 18.68	107.56%
3/4" Meter	9.00	28.02	211.33%
1" Meter	15.00	46.70	211.33%
1-1/2" Meter	25.00	93.40	273.60%
2" Meter	50.00	149.44	198.88%
3" Meter	NA	298.88	NA
4" Meter	NA	467.00	NA
6" Meter	NA	934.00	NA
Gallons Included in Usage Charge	2,000	-	

**COMMODITY CHARGE (EXCESS OF MINIMUM)**

1.71 Per 1,000 Gallons

EMERGENCY INTERIM SURCHARGE EFFECTIVE: OCTOBER 30, 2009

DECISION NO. 71322

DOCKET NO. W-01906A-09-0283

\$7.60 PER CUSTOMER PER MONTH

**Commodity Charges Per 1,000 Gallons:**

5/8 x 3/4 - inch meter	Current Rate	Proposed Rate	% Change
Tier one: 0 - 2,000 Gallons	\$ -	\$ 2.00	NA
Tier one: 2001 - 3,000 Gallons	1.71	2.00	17.00%
Tier two: 3,001 to 10,000 Gallons	1.71	3.60	110.60%
Tier three: All Gallons Over 10,000	1.71	6.48	279.07%

**3/4 - inch meter**

Tier one: 0 - 2,000 Gallons	\$ -	\$ 2.00	NA
Tier one: 2001 - 3,000 Gallons	1.71	2.00	17.00%
Tier two: 3,001 to 10,000 Gallons	1.71	3.60	110.60%
Tier three: All Gallons Over 10,000	1.71	6.48	279.07%

**One - inch meter**

Tier one: 0 - 2,000 Gallons	\$ -	\$ 2.00	NA
Tier one: 2001 - 5,000 Gallons	1.71	2.00	17.00%
Tier two: All Gallons Over 5,000	1.71	3.60	110.60%

**One and one half - inch meter**

Tier one: 0 - 2,000 Gallons	\$ -	\$ 2.00	NA
Tier one: 2001 - 20,000 Gallons	1.71	2.00	17.00%
Tier two: All Gallons Over 20,000	1.71	3.60	110.60%

**Two - inch meter**

Tier one: 0 - 2,000 Gallons	\$ -	\$ 2.00	NA
Tier one: 2001 - 20,000 Gallons	1.71	2.00	17.00%
Tier two: All Gallons Over 20,000	1.71	3.60	110.60%

**Three - inch meter**

Tier one: 0 - 2,000 Gallons	NA	\$ 2.00	NA
Tier one: 2001 - 20,000 Gallons	NA	2.00	NA
Tier two: All Gallons Over 20,000	NA	3.60	NA

Four - inch meter	Current Rate	Proposed Rate	% Change
Tier one: 0 - 2,000 Gallons	NA	\$ 2.00	NA
Tier one: 2001 - 20,000 Gallons	NA	2.00	NA
Tier two: All Gallons Over 20,000	NA	3.60	NA

Six - inch meter			
Tier one: 0 - 2,000 Gallons	NA	\$ 2.00	NA
Tier one: 2001 - 20,000 Gallons	NA	2.00	NA
Tier two: All Gallons Over 20,000	NA	3.60	NA

Description	Present Rate	Proposed Rate	% change
<b>SERVICE CHARGES</b>			
Establishment	\$ 15.00	\$ 25.000	66.67%
Establishment (After Hours)	20.00	20.00	0.00%
Reconnection (Delinquent)	15.00	25.00	66.67%
Reconnection (After Hours)	NA	*	NA
Meter Test (If Correct)	20.00	25.00	NA
Meter Reread (If Correct)	10.00	20.00	100.00%
NSF Check Charge	15.00	25.00	66.67%
Deposit	*	***	
Deposit Interest (Per Annum)	*	\$ -	
Deferred Payment (Per Month)	15% per anum	\$ -	
Late Charge (Per Month)	blank	****	
Re-establishment (Within 12 Month	***	\$ -	

**MONTHLY SERVICE CHARGE  
FOR FIRE SPRINKLER:**

NA \*\*\*\*

**SERVICE LINE AND METER INSTALLATION CHARGES**  
Refundable Pursuant to AAC R14-2-405

Description	Present Rate	Proposed Rates			% change
		Service Line	Meter Charge	Total Charge	
5/8" x 3/4" Meter	\$ 275.00	\$ 430.00	\$ 130.00	\$ 560.00	103.64%
3/4" Meter	300.00	430.00	230.00	660.00	120.00%
1" Meter	325.00	480.00	290.00	770.00	136.92%
1-1/2" Meter	475.00	535.00	500.00	1,035.00	117.89%
2" Meter - Turbine	650.00	815.00	1,020.00	1,835.00	100.00%
2" Meter - Compound		815.00	1,865.00	2,680.00	
3" Meter - Turbine		1,030.00	1,645.00	2,675.00	100.00%
3" Meter - Compound		1,150.00	2,545.00	3,695.00	
4" Meter - Turbine		1,460.00	2,620.00	4,080.00	100.00%
4" Meter - Compound		1,640.00	3,595.00	5,235.00	
6" Meter - Turbine		2,180.00	4,975.00	7,155.00	100.00%
6" Meter - Compound		2,300.00	6,870.00	9,170.00	

\* Per Commission Rule AAC R-14-2-403(B).

\*\* 1.50% of unpaid monthly balance.

\*\*\* Month off system times the monthly minimum per Commission rule AAC R14-2-403(D).

\*\*\*\* 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:

**East Slope Water Company**  
 Test Year Ended December 31, 2009

**Schedule: H-4**  
**Title: Typical Bill**  
**Analysis**  
**Page 1 of 4**

Explanation:  
 Schedule(s) comparing typical customer bills at varying  
 consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec'l Reqmt	

5/8" x 3/4" meter

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 9.00	\$ 16.60	\$ 18.68	107.56%	12.53%
1,000	9.00	16.60	20.68	129.79%	24.58%
2,000	9.00	16.60	22.68	152.01%	36.63%
3,000	10.71	18.31	24.68	130.46%	34.80%
4,000	12.42	20.02	28.28	127.72%	41.27%
5,000	14.13	21.73	31.88	125.65%	46.73%
6,000	15.84	23.44	35.49	124.02%	51.39%
7,000	17.55	25.15	39.09	122.72%	55.41%
8,000	19.26	26.86	42.69	121.64%	58.93%
9,000	20.97	28.57	46.29	120.74%	62.02%
10,000	22.68	30.28	49.89	119.97%	64.76%
13,000	27.81	35.41	69.34	149.32%	95.81%
15,000	31.23	38.83	82.30	163.53%	111.95%
20,000	39.78	47.38	114.71	188.36%	142.11%
25,000	48.33	55.93	147.12	204.41%	163.05%
50,000	91.08	98.68	309.18	239.45%	213.31%
75,000	133.83	141.43	471.23	252.11%	233.19%
100,000	176.58	184.18	633.28	258.64%	243.84%
125,000	219.33	226.93	795.33	262.62%	250.48%
150,000	262.08	269.68	957.39	265.30%	255.01%
175,000	304.83	312.43	1,119.44	267.23%	258.30%
200,000	347.58	355.18	1,281.49	268.69%	260.80%



East Slope Water Company  
Test Year Ended December 31, 2009

Schedule: H-4

Title: Typical Bi  
Analysis

Page 2 of 4

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec Reqmt

X

1 inch meter

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 15.00	\$ 22.60	\$ 46.70	211.33%	106.64%
1,000	15.00	22.60	48.70	224.67%	115.49%
2,000	15.00	22.60	50.70	238.01%	124.34%
3,000	16.71	24.31	52.70	215.39%	116.79%
4,000	18.42	26.02	54.70	196.97%	110.23%
5,000	20.13	27.73	56.70	181.69%	104.48%
6,000	21.84	29.44	60.30	176.12%	104.84%
7,000	23.55	31.15	63.91	171.36%	105.15%
8,000	25.26	32.86	67.51	167.25%	105.44%
9,000	26.97	34.57	71.11	163.66%	105.69%
10,000	28.68	36.28	74.71	160.49%	105.92%
15,000	37.23	44.83	92.72	149.03%	106.81%
20,000	45.78	53.38	110.72	141.85%	107.42%
25,000	54.33	61.93	128.73	136.94%	107.86%
40,000	79.98	87.58	182.74	128.49%	108.66%
50,000	97.08	104.68	218.76	125.34%	108.98%
75,000	139.83	147.43	308.79	120.83%	109.45%
100,000	182.58	190.18	398.82	118.43%	109.70%
125,000	225.33	232.93	488.84	116.95%	109.87%
150,000	268.08	275.68	578.87	115.93%	109.98%
175,000	310.83	318.43	668.90	115.20%	110.06%
200,000	353.58	361.18	758.93	114.64%	110.13%

**East Slope Water Company**  
 Test Year Ended December 31, 2009

**Schedule: H-4**  
**Title: Typical Bill**  
**Analysis**  
**Page 3 of 4**

Explanation:  
 Schedule(s) comparing typical customer bills at varying  
 consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

**1.5 inch meter**

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase W/O Surcharge
-	\$ 25.00	\$ 32.60	\$ 93.40	273.60%	186.50%
1,000	25.00	32.60	95.40	281.60%	192.64%
2,000	25.00	32.60	97.40	289.61%	198.78%
3,000	26.71	34.31	99.40	272.15%	189.72%
4,000	28.42	36.02	101.40	256.80%	181.52%
5,000	30.13	37.73	103.40	243.19%	174.06%
6,000	31.84	39.44	105.40	231.04%	167.25%
7,000	33.55	41.15	107.40	220.13%	161.01%
8,000	35.26	42.86	109.41	210.28%	155.26%
9,000	36.97	44.57	111.41	201.34%	149.96%
10,000	38.68	46.28	113.41	193.19%	145.04%
15,000	47.23	54.83	123.41	161.30%	125.08%
20,000	55.78	63.38	133.41	139.18%	110.50%
25,000	64.33	71.93	151.42	135.38%	110.51%
50,000	107.08	114.68	241.45	125.48%	110.54%
75,000	149.83	157.43	331.48	121.24%	110.56%
100,000	192.58	200.18	421.51	118.87%	110.56%
125,000	235.33	242.93	511.54	117.37%	110.57%
150,000	278.08	285.68	601.57	116.33%	110.57%
175,000	320.83	328.43	691.60	115.56%	110.58%
200,000	363.58	371.18	781.63	114.98%	110.58%

**East Slope Water Company**  
 Test Year Ended December 31, 2009

**Schedule: H-4**  
**Title: Typical Bill**  
**Analysis**  
**Page 4 of 4**

Explanation:  
 Schedule(s) comparing typical customer bills at varying  
 consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities	<input checked="checked" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

**2 inch meter**

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 50.00	\$ 57.60	\$ 149.44	198.88%	159.44%
1,000	50.00	57.60	151.44	202.88%	162.92%
2,000	50.00	57.60	153.44	206.88%	166.39%
3,000	51.71	59.31	155.44	200.60%	162.08%
4,000	53.42	61.02	157.44	194.73%	158.02%
5,000	55.13	62.73	159.44	189.21%	154.17%
6,000	56.84	64.44	161.44	184.03%	150.53%
7,000	58.55	66.15	163.44	179.15%	147.08%
8,000	60.26	67.86	165.45	174.55%	143.80%
9,000	61.97	69.57	167.45	170.20%	140.69%
10,000	63.68	71.28	169.45	166.09%	137.72%
15,000	72.23	79.83	179.45	148.44%	124.79%
20,000	80.78	88.38	189.45	134.53%	114.36%
25,000	89.33	96.93	207.46	132.24%	114.03%
50,000	132.08	139.68	297.49	125.23%	112.98%
75,000	174.83	182.43	387.52	121.65%	112.42%
100,000	217.58	225.18	477.55	119.48%	112.07%
125,000	260.33	267.93	567.58	118.02%	111.84%
150,000	303.08	310.68	657.61	116.97%	111.67%
175,000	345.83	353.43	747.64	116.19%	111.54%
200,000	388.58	396.18	837.67	115.57%	111.44%

Explanation:  
Schedule(s) showing billing activity by block for each rate  
schedule.

5/8 x 3/4 inch meter - Residential

Required for: All Utilities

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	216	-	216	2.49%	-	0.00%
1 to 1,000	443	221,500	659	7.59%	221,500	0.28%
1,001 to 2,000	677	1,015,500	1,336	15.38%	1,237,000	1.56%
2,001 to 3,000	863	2,157,500	2,199	25.31%	3,394,500	4.28%
3,001 to 4,000	940	3,290,000	3,139	36.13%	6,684,500	8.42%
4,001 to 5,000	932	4,194,000	4,071	46.86%	10,878,500	13.71%
5,001 to 6,000	771	4,240,500	4,842	55.74%	15,119,000	19.05%
6,001 to 7,000	575	3,737,500	5,417	62.36%	18,856,500	23.76%
7,001 to 8,000	449	3,367,500	5,866	67.53%	22,224,000	28.00%
8,001 to 9,000	386	3,281,000	6,252	71.97%	25,505,000	32.13%
9,001 to 10,000	302	2,869,000	6,554	75.45%	28,374,000	35.75%
10,001 to 12,000	432	4,752,000	6,986	80.42%	33,126,000	41.73%
12,001 to 14,000	335	4,355,000	7,321	84.28%	37,481,000	47.22%
14,001 to 16,000	250	8,042,001	7,571	87.15%	45,523,001	57.35%
16,001 to 18,000	186	3,162,000	7,757	89.29%	48,685,001	61.34%
18,001 to 20,000	148	2,812,000	7,905	91.00%	51,497,001	64.88%
20,001 to 25,000	256	5,760,000	8,161	93.94%	57,257,001	72.14%
25,001 to 30,000	162	4,455,000	8,323	95.81%	61,712,001	77.75%
30,001 to 35,000	101	3,282,500	8,424	96.97%	64,994,501	81.88%
35,001 to 40,000	54	2,025,000	8,478	97.59%	67,019,501	84.43%
40,001 to 50,000	91	4,095,000	8,569	98.64%	71,114,501	89.59%
50,001 to 60,000	49	2,695,000	8,618	99.21%	73,809,501	92.99%
60,001 to 70,000	21	1,365,000	8,639	99.45%	75,174,501	94.71%
70,001 to 80,000	15	1,125,000	8,654	99.62%	76,299,501	96.13%
80,001 to 90,000	6	510,000	8,660	99.69%	76,809,501	96.77%
90,001 to 99,999	8	760,000	8,668	99.78%	77,569,501	97.73%
102,180	1	95,000	8,669	99.79%	77,664,501	97.85%
102,280	1	95,000	8,670	99.80%	77,759,501	97.97%
108,540	1	95,000	8,671	99.82%	77,854,501	98.09%
108,570	1	95,000	8,672	99.83%	77,949,501	98.20%
114,980	1	95,000	8,673	99.84%	78,044,501	98.32%
119,360	1	95,000	8,674	99.85%	78,139,501	98.44%
120,560	1	95,000	8,675	99.86%	78,234,501	98.56%
125,130	1	95,000	8,676	99.87%	78,329,501	98.68%
125,670	1	95,000	8,677	99.88%	78,424,501	98.80%
127,000	1	95,000	8,678	99.90%	78,519,501	98.92%
129,330	1	95,000	8,679	99.91%	78,614,501	99.04%
132,310	1	95,000	8,680	99.92%	78,709,501	99.16%
138,190	1	95,000	8,681	99.93%	78,804,501	99.28%
144,140	1	95,000	8,682	99.94%	78,899,501	99.40%
146,590	1	95,000	8,683	99.95%	78,994,501	99.52%
151,900	1	95,000	8,684	99.97%	79,089,501	99.64%
154,150	1	95,000	8,685	99.98%	79,184,501	99.76%
197,030	1	95,000	8,686	99.99%	79,279,501	99.88%
217,240	1	95,000	8,687	100.00%	79,374,501	100.00%
	8,687	79,374,501				

Average Number of Customers 724  
Average Consumption 9,137  
Median Consumption 5,330

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 2 of 8

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

5/8 x 3/4 inch meter - Commercial

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	38	-	38	8.12%	-	0.00%
1 to 1,000	106	53,000	144	30.77%	53,000	1.39%
1,001 to 2,000	70	105,000	214	45.73%	158,000	4.13%
2,001 to 3,000	32	80,000	246	52.56%	238,000	6.22%
3,001 to 4,000	17	59,500	263	56.20%	297,500	7.78%
4,001 to 5,000	18	81,000	281	60.04%	378,500	9.89%
5,001 to 6,000	17	93,500	298	63.68%	472,000	12.34%
6,001 to 7,000	11	71,500	309	66.03%	543,500	14.21%
7,001 to 8,000	22	165,000	331	70.73%	708,500	18.52%
8,001 to 9,000	11	93,500	342	73.08%	802,000	20.96%
9,001 to 10,000	9	85,500	351	75.00%	887,500	23.20%
10,001 to 12,000	23	253,000	374	79.91%	1,140,500	29.81%
12,001 to 14,000	17	221,000	391	83.55%	1,361,500	35.59%
14,001 to 16,000	13	312,501	404	86.32%	1,674,001	43.76%
16,001 to 18,000	8	136,000	412	88.03%	1,810,001	47.31%
18,001 to 20,000	7	133,000	419	89.53%	1,943,001	50.79%
20,001 to 25,000	19	427,500	438	93.59%	2,370,501	61.97%
25,001 to 30,000	9	247,500	447	95.51%	2,618,001	68.44%
30,001 to 35,000	3	97,500	450	96.15%	2,715,501	70.98%
35,001 to 40,000	4	150,000	454	97.01%	2,865,501	74.91%
40,001 to 50,000	3	135,000	457	97.65%	3,000,501	78.43%
50,001 to 60,000	2	110,000	459	98.08%	3,110,501	81.31%
60,001 to 70,000	4	260,000	463	98.93%	3,370,501	88.11%
70,001 to 80,000	1	75,000	464	99.15%	3,445,501	90.07%
80,001 to 90,000	-	-	464	99.15%	3,445,501	90.07%
90,001 to 99,999	3	285,000	467	99.79%	3,730,501	97.52%
165,110	1	95,000	468	100.00%	3,825,501	100.00%
	468	3,825,501				

Average Number of Customers 39  
Average Consumption 8,174  
Median Consumption 2,625

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 3 of 8

Required for: All Utilities

X

Class A

Class B

Class C

Class D

Specil Reqmt

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	13	-	13	13.27%	-	0.00%
1 to 1,000	1	500	14	14.29%	500	0.05%
1,001 to 2,000	5	7,500	19	19.39%	8,000	0.74%
2,001 to 3,000	9	22,500	28	28.57%	30,500	2.81%
3,001 to 4,000	5	17,500	33	33.67%	48,000	4.43%
4,001 to 5,000	15	67,500	48	48.98%	115,500	10.65%
5,001 to 6,000	5	27,500	53	54.08%	143,000	13.19%
6,001 to 7,000	5	32,500	58	59.18%	175,500	16.19%
7,001 to 8,000	1	7,500	59	60.20%	183,000	16.88%
8,001 to 9,000	5	42,500	64	65.31%	225,500	20.80%
9,001 to 10,000	2	19,000	66	67.35%	244,500	22.55%
10,001 to 12,000	5	55,000	71	72.45%	299,500	27.63%
12,001 to 14,000	5	65,000	76	77.55%	364,500	33.62%
14,001 to 16,000	3	72,501	79	80.61%	437,001	40.31%
16,001 to 18,000	2	34,000	81	82.65%	471,001	43.45%
18,001 to 20,000	1	19,000	82	83.67%	490,001	45.20%
20,001 to 25,000	8	180,000	90	91.84%	670,001	61.80%
25,001 to 30,000	2	55,000	92	93.88%	725,001	66.88%
30,001 to 35,000	1	32,500	93	94.90%	757,501	69.87%
35,001 to 40,000	-	-	93	94.90%	757,501	69.87%
40,001 to 50,000	3	135,000	96	97.96%	892,501	82.33%
50,001 to 60,000	-	-	96	97.96%	892,501	82.33%
60,001 to 70,000	1	65,000	97	98.98%	957,501	88.32%
70,001 to 80,000	-	-	97	98.98%	957,501	88.32%
80,001 to 90,000	-	-	97	98.98%	957,501	88.32%
90,001 to 99,999	-	-	97	98.98%	957,501	88.32%
126,590	1	126,590	98	100.00%	1,084,091	100.00%
	98	1,084,091				

Average Number of Customers 8.17  
Average Consumption 11,062  
Median Consumption 5,140

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 4 of 8

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter Commercial

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	13	-	13	18.06%	-	0.00%
1 to 1,000	-	-	13	18.06%	-	0.00%
1,001 to 2,000	-	-	13	18.06%	-	0.00%
2,001 to 3,000	4	10,000	17	23.61%	10,000	1.63%
3,001 to 4,000	5	17,500	22	30.56%	27,500	4.48%
4,001 to 5,000	7	31,500	29	40.28%	59,000	9.61%
5,001 to 6,000	5	27,500	34	47.22%	86,500	14.09%
6,001 to 7,000	9	58,500	43	59.72%	145,000	23.62%
7,001 to 8,000	4	30,000	47	65.28%	175,000	28.50%
8,001 to 9,000	3	25,500	50	69.44%	200,500	32.65%
9,001 to 10,000	2	19,000	52	72.22%	219,500	35.75%
10,001 to 12,000	7	77,000	59	81.94%	296,500	48.29%
12,001 to 14,000	3	39,000	62	86.11%	335,500	54.64%
14,001 to 16,000	3	94,501	65	90.28%	430,001	70.03%
16,001 to 18,000	2	34,000	67	93.06%	464,001	75.57%
18,001 to 20,000	-	-	67	93.06%	464,001	75.57%
20,001 to 25,000	3	67,500	70	97.22%	531,501	86.56%
25,001 to 30,000	-	-	70	97.22%	531,501	86.56%
30,001 to 35,000	-	-	70	97.22%	531,501	86.56%
35,001 to 40,000	1	37,500	71	98.61%	569,001	92.67%
40,001 to 50,000	1	45,000	72	100.00%	614,001	100.00%
50,001 to 60,000	-	-	72	100.00%	614,001	100.00%
60,001 to 70,000	-	-	72	100.00%	614,001	100.00%
70,001 to 80,000	-	-	72	100.00%	614,001	100.00%
80,001 to 90,000	-	-	72	100.00%	614,001	100.00%
90,001 to 99,999	-	-	72	100.00%	614,001	100.00%
>=100,000	-	-	72	100.00%	614,001	100.00%
	72	614,001				

Average Number of Customers 6.00  
Average Consumption 8,528  
Median Consumption 6,235

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 5 of 8

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

1.5 inch meter Residential

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	8	-	8	16.33%	-	0.00%
1 to 1,000	3	1,500	11	22.45%	1,500	0.10%
1,001 to 2,000	1	1,500	12	24.49%	3,000	0.20%
2,001 to 3,000	-	-	12	24.49%	3,000	0.20%
3,001 to 4,000	1	3,500	13	26.53%	6,500	0.44%
4,001 to 5,000	1	4,500	14	28.57%	11,000	0.74%
5,001 to 6,000	7	38,500	21	42.86%	49,500	3.33%
6,001 to 7,000	1	6,500	22	44.90%	56,000	3.77%
7,001 to 8,000	2	15,000	24	48.98%	71,000	4.78%
8,001 to 9,000	2	17,000	26	53.06%	88,000	5.93%
9,001 to 10,000	-	-	26	53.06%	88,000	5.93%
10,001 to 12,000	-	-	26	53.06%	88,000	5.93%
12,001 to 14,000	2	26,000	28	57.14%	114,000	7.68%
14,001 to 16,000	1	3,501	29	59.18%	117,501	7.91%
16,001 to 18,000	-	-	29	59.18%	117,501	7.91%
18,001 to 20,000	-	-	29	59.18%	117,501	7.91%
20,001 to 25,000	2	45,000	31	63.27%	162,501	10.94%
25,001 to 30,000	1	27,500	32	65.31%	190,001	12.79%
30,001 to 35,000	2	65,000	34	69.39%	255,001	17.17%
35,001 to 40,000	2	75,000	36	73.47%	330,001	22.22%
40,001 to 50,000	1	45,000	37	75.51%	375,001	25.25%
50,001 to 60,000	-	-	37	75.51%	375,001	25.25%
60,001 to 70,000	-	-	37	75.51%	375,001	25.25%
70,001 to 80,000	1	75,000	38	77.55%	450,001	30.30%
80,001 to 90,000	1	85,000	39	79.59%	535,001	36.03%
90,001 to 99,999	1	95,000	40	81.63%	630,001	42.42%
191,730	1	95,000	41	83.67%	725,001	48.82%
116,710	1	95,000	42	85.71%	820,001	55.22%
119,190	1	95,000	43	87.76%	915,001	61.62%
130,080	1	95,000	44	89.80%	1,010,001	68.01%
139,890	1	95,000	45	91.84%	1,105,001	74.41%
140,710	1	95,000	46	93.88%	1,200,001	80.81%
151,200	1	95,000	47	95.92%	1,295,001	87.21%
151,620	1	95,000	48	97.96%	1,390,001	93.60%
161,220	1	95,000	49	100.00%	1,485,001	100.00%
	49	1,485,001				

Average Number of Customers 4.08  
Average Consumption 30,306  
Median Consumption 8,500

Supporting Schedules:

Recap Schedules:



East Slope Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 6 of 8

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

1.5 inch meter Commercial

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	4	-	4	12.12%	-	0.00%
1 to 1,000	8	4,000	12	36.36%	4,000	0.60%
1,001 to 2,000	-	-	12	36.36%	4,000	0.60%
2,001 to 3,000	1	2,500	13	39.39%	6,500	0.98%
3,001 to 4,000	1	3,500	14	42.42%	10,000	1.51%
4,001 to 5,000	1	4,500	15	45.45%	14,500	2.19%
5,001 to 6,000	-	-	15	45.45%	14,500	2.19%
6,001 to 7,000	-	-	15	45.45%	14,500	2.19%
7,001 to 8,000	-	-	15	45.45%	14,500	2.19%
8,001 to 9,000	-	-	15	45.45%	14,500	2.19%
9,001 to 10,000	-	-	15	45.45%	14,500	2.19%
10,001 to 12,000	1	11,000	16	48.48%	25,500	3.85%
12,001 to 14,000	1	13,000	17	51.52%	38,500	5.81%
14,001 to 16,000	-	14,501	17	51.52%	53,001	7.99%
16,001 to 18,000	-	-	17	51.52%	53,001	7.99%
18,001 to 20,000	-	-	17	51.52%	53,001	7.99%
20,001 to 25,000	1	22,500	18	54.55%	75,501	11.39%
25,001 to 30,000	3	82,500	21	63.64%	158,001	23.83%
30,001 to 35,000	5	162,500	26	78.79%	320,501	48.34%
35,001 to 40,000	3	112,500	29	87.88%	433,001	65.31%
40,001 to 50,000	2	90,000	31	93.94%	523,001	78.88%
50,001 to 60,000	-	-	31	93.94%	523,001	78.88%
60,001 to 70,000	1	65,000	32	96.97%	588,001	88.69%
70,001 to 80,000	1	75,000	33	100.00%	663,001	100.00%
80,001 to 90,000	-	-	33	100.00%	663,001	100.00%
90,001 to 99,999	-	-	33	100.00%	663,001	100.00%
>100,000	-	-	33	100.00%	663,001	100.00%
	33	663,001				

Average Number of Customers 2.75  
Average Consumption 20,091  
Median Consumption 13,800

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 7 of 8

Explanation:  
Schedule(s) showing billing activity by block for each rate  
schedule.

2 inch meter

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Specil Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	-	-	-	0.00%	-	0.00%
1,001 to 2,000	-	-	-	0.00%	-	0.00%
2,001 to 3,000	-	-	-	0.00%	-	0.00%
3,001 to 4,000	-	-	-	0.00%	-	0.00%
4,001 to 5,000	4	18,000	4	11.11%	18,000	3.39%
5,001 to 6,000	3	16,500	7	19.44%	34,500	6.49%
6,001 to 7,000	3	19,500	10	27.78%	54,000	10.16%
7,001 to 8,000	3	22,500	13	36.11%	76,500	14.39%
8,001 to 9,000	2	17,000	15	41.67%	93,500	17.59%
9,001 to 10,000	2	19,000	17	47.22%	112,500	21.17%
10,001 to 12,000	2	22,000	19	52.78%	134,500	25.31%
12,001 to 14,000	3	39,000	22	61.11%	173,500	32.64%
14,001 to 16,000	1	22,001	23	63.89%	195,501	36.78%
16,001 to 18,000	1	17,000	24	66.67%	212,501	39.98%
18,001 to 20,000	1	19,000	25	69.44%	231,501	43.56%
20,001 to 25,000	4	90,000	29	80.56%	321,501	60.49%
25,001 to 30,000	6	165,000	35	97.22%	486,501	91.53%
30,001 to 35,000	-	-	35	97.22%	486,501	91.53%
35,001 to 40,000	-	-	35	97.22%	486,501	91.53%
40,001 to 50,000	1	45,000	36	100.00%	531,501	100.00%
50,001 to 60,000	-	-	36	100.00%	531,501	100.00%
60,001 to 70,000	-	-	36	100.00%	531,501	100.00%
70,001 to 80,000	-	-	36	100.00%	531,501	100.00%
80,001 to 90,000	-	-	36	100.00%	531,501	100.00%
90,001 to 100,000	-	-	36	100.00%	531,501	100.00%
>100,000	-	-	36	100.00%	531,501	100.00%
	36	531,501				

Average Number of Customers 3.00  
Average Consumption 14,764  
Median Consumption 10,750

Supporting Schedules:

Recap Schedules:

East Slope Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 8 of 8

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Emergency Surcharge

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

☒

☐

☐

☐

☐

☐

Amount of Surcharge: \$7.60 per customer per month

Surcharge Approved in Decision 71322, October 30, 2009

	Nov and Dec 2009 Bills	Surcharge	Surcharge Revenue
<b>Residential</b>			
5-8 inch	1416	\$ 7.60	\$ 10,761.60
1.5 inch	16	7.60	121.60
1 inch	8	7.60	60.80
2 inch	0	7.60	-
<b>Residential Total</b>			<b>\$ 10,944.00</b>
<b>Commercial</b>			
5-8 inch	83	\$ 7.60	\$ 630.80
1.5 inch	12	\$ 7.60	\$ 91.20
1 inch	8	\$ 7.60	\$ 60.80
2 inch	6	\$ 7.60	\$ 45.60
<b>Commercial Total</b>			<b>\$ 828.40</b>
<b>Total East Slope Surcharge Revenues</b>			<b>\$ 11,772.40</b>

# **EXHIBIT 3**

### WATER USE DATA SHEET

NAME OF COMPANY	East Slope Water Company
ADEQ Public Water System Number:	02-028

MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)
1. January	786	5,137	5,279
2. February	788	4,151	5,330
3. March	792	5,340	5,331
4. April	791	4,238	6,659
5. May	785	9,527	10,149
6. June	782	9,006	9,009
7. July	786	8,054	8,334
8. August	789	10,329	10,674
9. September	786	8,003	8,546
10. October	788	6,501	6,847
11. November	787	7,044	7,880
12. December	781	4,511	4,959
TOTAL	N/A	81,841	88,997

Is the water utility located in an ADWR Active Management Area ("AMA")?

☐ YES      ☒ NO

Does the Company have an ADWR gallons per capita day ("GPCD") requirement?

☐ YES      ☒ NO

If Yes, please provide the GPCD amount: N/A

*Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.*

\* Gallons pumped cannot equal or be less than the gallons sold.

# **EXHIBIT 4**

Company Name: East Slope Water Company

Test Year Ended: 31-Dec-09

**WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-805786 Well 1	20	80	549	8	3	1964
55-805787 Well 2	20	100	560	8	3	1963
55-805788 Well 3	75	40	620	12	2	1971
55-805789 Well 4	75	300	802	10	4	1977
55-551665 Well 8	5.5	60	300	6	1	1995

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

**BOOSTER PUMPS**

Horsepower	Quantity
15.0	2
30.0	2

**FIRE HYDRANTS**

Quantity Standard	Quantity Other
4	1

**STORAGE TANKS**

Capacity	Quantity
200,000 gal	1
50,000 gal	1

**PRESSURE TANKS**

Capacity	Quantity
5,000 gal	3
3,000 gal	1
1,000 gal	1
85 gal	1

Company Name: East Slope Water Company

Test Year Ended: 31-Dec-09

WATER COMPANY PLANT DESCRIPTION CONTINUED

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	28,000
3	AC	16,000
4	AC/PVC	97,000
5		
6	AC/PVC	10,000
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	792
3/4	
1	15
1 1/2	10
2	3
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, please list the utility owned assets in each category.

TREATMENT EQUIPMENT:

5 chlorinators

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STRUCTURES:

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OTHER:

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# **EXHIBIT 5**

**Arizona Department of Environmental Quality**  
**Drinking Water Monitoring and Protection Unit**  
 Mail Code 5415B-2  
 1110 West Washington Street  
 Phoenix, AZ 85007

**Drinking Water Compliance Status Report**

<b>System Name</b>	<b>System Type</b>	<b>Is system consecutive?</b>
EAST SLOPE WATER COMPANY	<input checked="" type="checkbox"/> Community	<input type="checkbox"/> Yes, to PWS #
<b>System ID #</b>	<input type="checkbox"/> Non-transient Non-community	<input checked="" type="checkbox"/> No
02028	<input type="checkbox"/> Transient Non-community	

<b>Overall compliance status</b>	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
<b>Monitoring and Reporting status</b>	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
Comments: None		

<b>Operation and Maintenance status</b>	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
<b>Date of last Sanitary Survey</b>	<b>Inspector</b>	
3/5/07	John Eyre, SRO	
Major unresolved/ongoing operation and maintenance deficiencies:		
<input type="checkbox"/> unable to maintain 20psi	<input type="checkbox"/> Inadequate storage	
<input type="checkbox"/> cross connection/backflow problems	<input type="checkbox"/> surface water treatment rule	
<input type="checkbox"/> treatment deficiencies	<input type="checkbox"/> atc/aoc	
<input type="checkbox"/> certified operator	<input type="checkbox"/> other =	
Comments: Recommendations made on source and distribution system.		

<b>Is an ADEQ administrative order in effect?</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Comments: None		

System Information	
Population Served	2000
Service Connections	773
Number of Entry Points to the Distribution System	7
Number of Sources	7
Initial Monitoring Year	1994
Monitoring Assistance Program (MAP) System	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>Evaluation completed by</b>	Donna Calderon, Manager <i>DC</i> Drinking Water Monitoring and Protection Unit		
<b>Phone</b>	602-771-4841	<b>Date</b>	April 22, 2009
<input checked="" type="checkbox"/>	Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4.		
<input type="checkbox"/>	Based upon the monitoring and reporting deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4.		
<input type="checkbox"/>	Based upon the operation and maintenance deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4.		

*This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.*

# **EXHIBIT 6**



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE



Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10118	Invoice Number 66308
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02028
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due ..... \$ 2,365.11
	Amount Paid ..... \$

† Keep the top portion for your records. †

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 66308

WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Owner Id #: 10118 Billing for Calendar Year: 2010 Due Date: 12/11/2009	MAP
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02028 - Watkins, Bob

ANNUAL SAMPLING FEE WORKSHEET

ESW

ENTERED  
NOV - 3 2009  
BY: \_\_\_\_\_

Base Fee (all MAP systems) .....	\$ 250.00
Fee per Connection in 2010. .... 823 connections X \$ 2.57 .....	\$ 2,115.11
Total Sampling Fee .....	\$ 2,365.11
Plus Paid Interest Charges and/or Other Adjustments .....	\$ 0.00
Plus Unpaid Interest Charges as of 10/27/2009 .....	\$ 0.00
Minus Payments Received and/or Other Adjustments .....	\$ 0.00
Amount Due .....	\$ 2,365.11
Amount received by ADEQ (Make check payable to State of Arizona) .....	\$



A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered: CS3 10/27/2009 WM3006

# **EXHIBIT 7**

East Slope - Monitoring Cycle/Costs per Test

Contaminant	Monitoring Cycle	# of tests per cycle	Cost per Test
Total Coliform	Monthly	3	\$ 25.00
TTHM	Yearly	4	110.00
HAA5	Yearly	4	155.00
Copper & Lead	Tri-Annually	10	33.00

# **EXHIBIT 8**

Turner Laboratories, Inc.

DATE: 06-Feb-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO East Slope  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613  
Work Order: 0901748  
PO Number:  
Order Name  
Date Received 1/29/2009

Invoice Number: 901748

Payment Due Date: 08-Mar-09  
Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	5	\$20.00	1	\$20.00	\$100.00

Order TOTAL: \$100.00

Discount: 0.00%  
Surcharge: 0.00%  
Misc Charges: \$0.00

### Misc Comments

Subtotal: \$100.00  
Payment Received: \$0.00  
**INVOICE Total \$100.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



Turner Laboratories, Inc.

DATE: 12-Jan-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO East Slope  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613  
Work Order: 0901266  
PO Number:  
Order Name  
Date Received 1/8/2009

Invoice Number: 901266

Payment Due Date: 11-Feb-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	2	\$20.00	1	\$20.00	\$40.00

Order TOTAL: \$40.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$40.00

Payment Received: \$0.00

**INVOICE Total \$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 24-Feb-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

**INVOICE**

Invoice TO East Slope  
P.O. Box 85160  
Tucson, AZ 85754

Attn: Keith Dojaquez

Phone: (520) 437-4613

Work Order: 0902616

PO Number:

Order Name

Date Received 2/19/2009

**Invoice Number: 902616**

Payment Due Date: 26-Mar-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	5	\$20.00	1	\$20.00	\$100.00

**Order TOTAL: \$100.00**

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$100.00

Payment Received: \$0.00

**INVOICE Total \$100.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

# Turner Laboratories, Inc.

Invoice Date: 03/18/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
PO Box 85160  
Tucson, Arizona 85754  
Attn: Elane Byfield

Phone: (520) 623-5172  
Work Order: 09C0416  
PO Number:  
Received: 03/11/2009

Invoice Number: 09C0416

Payment Due Date: 04/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	5	\$20.00	\$100.00

Invoice Total: \$100.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 03/18/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tuscon, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
P.O. Box 390  
Sahuarita, Arizona 85629-0390  
Attn: Elane Byfield

Invoice Number: 09C0331

Phone: (520) 623-5172  
Work Order: 09C0331  
PO Number:  
Received: 03/09/2009

Payment Due Date: 04/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

Invoice Total: \$40.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 04/09/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Invoice Number: 09D0240

Phone: (520) 623-5172  
Work Order: 09D0240  
PO Number:  
Received: 04/06/2009

Payment Due Date: 05/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	5	\$20.00	\$100.00

Invoice Total: **\$100.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 04/13/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Invoice Number: 09D0371

Phone: (520) 623-5172  
Work Order: 09D0371  
PO Number:  
Received: 04/08/2009

Payment Due Date: 05/13/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	6	\$20.00	\$120.00

Invoice Total: \$120.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 10-Nov-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO East Slope  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613  
Work Order: 0811238  
PO Number:  
Order Name  
Date Received 11/5/2008

Invoice Number: 811238

Payment Due Date: 10-Dec-08

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	2	\$20.00	1	\$20.00	\$40.00

Order TOTAL: \$40.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$40.00

Payment Received: \$0.00

**INVOICE Total \$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 15-Dec-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO East Slope  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez  
Phone: (520) 437-4613  
Work Order: 0812431  
PO Number:  
Order Name  
Date Received 12/10/2008

Invoice Number: 812431

Payment Due Date: 14-Jan-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	2	\$20.00	1	\$20.00	\$40.00

Order TOTAL: \$40.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$40.00

Payment Received: \$0.00

**INVOICE Total \$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



Turner Laboratories, Inc.

Invoice Date: 05/13/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09E0178

Payment Due Date: 06/12/2009

Phone: (520) 623-5172  
Work Order: 09E0178  
PO Number:  
Received: 05/05/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	5	\$20.00	\$100.00

Invoice Total: \$100.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 06/25/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09F0578

Phone: (520) 623-5172  
Work Order: 09F0578  
PO Number:  
Received: 06/16/2009

Payment Due Date: 07/27/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 07/16/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09G0318

Payment Due Date: 08/17/2009

Phone: (520) 623-5172  
Work Order: 09G0318  
PO Number:  
Received: 07/07/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

Invoice Total: \$40.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 07/31/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09G0483

Phone: (520) 623-5172  
Work Order: 09G0483  
PO Number:  
Received: 07/14/2009

Payment Due Date: 09/01/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
TTHM by E524.2 [10 day]	Drinking Water	2	\$150.00	\$300.00
Haloacetic Acids by 552.2 [10 day]	Drinking Water	2	\$155.00	\$310.00

Invoice Total: **\$610.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 08/12/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-028

Invoice Number: 09H0280

Phone: (520) 623-5172  
Work Order: 09H0280  
PO Number:  
Received: 08/05/2009

Payment Due Date: 09/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

**Invoice Total: \$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 06/09/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09F0193

Phone: (520) 623-5172  
Work Order: 09F0193  
PO Number:  
Received: 06/02/2009

Payment Due Date: 07/09/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

Invoice Total: \$40.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 11/11/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-028

Invoice Number: 09K0266

Phone: (520) 623-5172  
Work Order: 09K0266  
PO Number:  
Received: 11/04/2009

Payment Due Date: 12/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

Invoice Total: **\$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 12/08/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

# INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Keith Dojaquez  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-028

Invoice Number: 09L0177

Phone: (520) 623-5172  
Work Order: 09L0177  
PO Number:  
Received: 12/02/2009

Payment Due Date: 01/07/2010

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00
Invoice Total:				\$40.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.





ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE



Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10118	Invoice Number 66308
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02028
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due .....\$ 2,365.11
	Amount Paid .....\$

↑ Keep the top portion for your records. ↑

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 66308

WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Owner Id #: 10118 MAP
	Billing for Calendar Year: 2010
02028 - Watkins, Bob	Due Date: 12/11/2009

ANNUAL SAMPLING FEE WORKSHEET

ESW

ENTERED  
NOV - 3 2009  
BY: \_\_\_\_\_

Base Fee (all MAP systems)	\$ 250.00
Fee per Connection in 2010. 823 connections X \$ 2.57	\$ 2,115.11
Total Sampling Fee	\$ 2,365.11
Plus Paid Interest Charges and/or Other Adjustments	\$ 0.00
Plus Unpaid Interest Charges as of 10/27/2009	\$ 0.00
Minus Payments Received and/or Other Adjustments	\$ 0.00
Amount Due	\$ 2,365.11
Amount received by ADEQ (Make check payable to State of Arizona)	\$



A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

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ORIGINAL

Steve Wene, State Bar No. 019630  
MOYES SELLERS & SIMS LTD.  
1850 N. Central Ave., Suite 1100  
Phoenix, Arizona 85004  
Telephone: 602-604-2141  
swene@lawms.com

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AZ CORP COMMISSION  
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

**COMMISSIONERS**

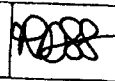
KRISTIN K. MAYES, CHAIRMAN  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

Arizona Corporation Commission

DOCKETED

AUG. 27 2010

DOCKETED BY



EXHIBIT

A-2

ADMITTED

ANTELOPE RUN WATER  
COMPANY'S APPLICATION FOR AN  
PERMANENT INCREASE IN ITS  
WATER RATES

Docket No. W-02327A-10-0169

AMENDED RATE APPLICATION

The Antelope Run Water Company ("Company" or "Antelope Run"), hereby submit this amended rate application for an increase in water rates. This application is being amended at the request of the Arizona Corporation Commission Staff ("Staff"). This application for proposed rates has been assembled for comparative purposes per Staff's request, and even though provides stand alone financial analysis for Antelope, it is the desire of the ownership that the Company be consolidated with Indiada Water

1 Company and East Slope Water Company into one entity. This new entity would be  
2 structured as a Class C water company.

3  
4 **SUPPORTING DOCUMENTATION**

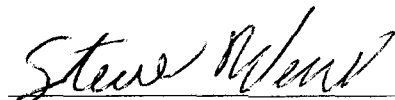
5 Pursuant to A.A.R. Rule 14-2-103, the Company submits the following  
6 documentation in support of the proposed increase in rates and charges:

- 7
- 8 • Direct Testimony of Sonn S. Rowell (see Exhibit 1);
  - 9 • Required Schedules, Statements, and Documentation (see Exhibit 2);
  - 10 • Water Use Data Sheets (see Exhibit 3 (previously provided));
  - 11 • Plant Descriptions (see Exhibit 4 (previously provided));
  - 12 • ADEQ Compliance Status Report (see Exhibit 5 (previously provided));
  - 13 • Monitoring Assistance Program Sampling Fee Invoice (see Exhibit 6 (previously  
14 provided));
  - 15 • Water Quality Testing Information (see Exhibit 7); and
  - 16 • Water Quality Testing Invoices (see Exhibit 8).
- 17  
18

19 As previously discussed with Staff's legal counsel, the public notice for this application  
20 will be provided by the Company pursuant to hearing officer order once the hearing is  
21 set.  
22

23 RESPECTFULLY SUBMITTED this 27<sup>th</sup> day of August, 2010.

24  
25 **MOYES SELLERS & SIMS**

26   
27 \_\_\_\_\_  
28 Steve Wene  
Attorneys for Company

1 Original and 15 copies of the foregoing  
2 filed this 27<sup>th</sup> day of August, 2010, with:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 West Washington  
6 Phoenix, Arizona 85007

7 Donnelly Herbert  
8

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28

# **EXHIBIT 1**

1                   **BEFORE THE ARIZONA CORPORATION COMMISSION**

2  
3    **COMMISSIONERS**

4    KRISTIN K. MAYES, CHAIRMAN

5    GARY PIERCE

6    PAUL NEWMAN

7    SANDRA D. KENNEDY

8    BOB STUMP

9    **APPLICATION OF ANTELOPE RUN**  
10   **WATER COMPANY FOR A**  
11   **PERMANENT INCREASE IN ITS**  
12   **WATER RATES**

13  
14                   **DIRECT TESTIMONY OF**  
15                   **SONN S. ROWELL**

16    **Q-1    Please state your name and current employment position:**

17    **A-1    My name is Sonn S. Rowell, and I am a Certified Public Accountant and a**  
18    **managing member of Desert Mountain Analytical Services, PLLC ("DMAS").**

19    **Q-2    Describe your educational and professional background:**

20    **A-2    I hold a Bachelor of Science Degree in Accounting from Arizona State University,**  
21    **as well as my CPA certification from the Arizona State Board of Accountancy. I have**  
22    **worked for many years in the practice of public accounting and regulatory consulting,**  
23    **and have held part-time accountancy teaching positions at Mesa Community College.**  
24    **After employment with the Accounting and Rates Section of the Utilities Division at the**  
25    **Arizona Corporation Commission for four years, I started DMAS and now specialize in**  
26    **regulatory accounting and consulting.**  
27  
28

1 **Q-3 By whom are you employed and in what capacity?**

2 **A-3** I have been retained by the owners of Antelope Run Water Company ("Antelope"  
3 or "Company") and its management company, Southwestern Utility Management, Inc.  
4 ("SUM") to prepare rate and finance applications for submittal to the Arizona  
5 Corporation Commission.  
6

7 **Q-4 What is the purpose of your testimony?**

8 **A-4** The purpose of my testimony is to present my analysis and recommendations  
9 concerning the development of the Company gross revenue requirement, taking into  
10 account adjusted rate base, adjusted operating income, working capital requirements,  
11 current rate of return, required operating income, required rate of return for the historic  
12 twelve month period, and other relevant factors to sponsor certain exhibits in support of  
13 the rate and finance applications.  
14

15 **Q-5 Please summarize the Company proposal.**

16 **A-5** Antelope Run is seeking an increase in gross revenue of approximately \$90,065,  
17 or a rate increase of approximately 182.85%, for its customers to pay for increased  
18 operational expenses and needed improvements that will be funded with the proposed  
19 loan from the Water Infrastructure Finance Authority ("WIFA").  
20

21 **Q-6 What is the basis for your recommendation?**

22 **A-6** I analyzed the Companies records to determine the adjusted revenues and  
23 expenses during the test year ending December 31, 2009. Next, I calculated a reasonable  
24 revenue requirement in order to ensure the Companies can earn sufficient revenue to pay  
25 ongoing operating expenses, the debt service on the proposed WIFA loan, and provide  
26  
27  
28

1 adequate and reliable water service to its customers. Based upon my analysis, I have  
2 prepared the schedules in accordance with A.A.C. Rule 14-2-103 that are set forth in  
3 Application Exhibit 2, which I adopt as part of my testimony.  
4

5 **Q-7 Please identify and explain the adjustments made on Schedule C-1 – Adjusted**  
6 **Test Year Income Statement of this application.**  
7

8 **A-7** Adjustment A removes \$1,437 of Antelope Run's metered water revenue, which  
9 was purchased by Indiada Water Company, Inc. ("Indiada"). This would be considered a  
10 non-recurring expense due to the proposed consolidation of the Companies, and the  
11 revenue requirement should not include this amount.  
12

13 **Q-8 Please explain Adjustment B.**

14 **A-8** Adjustment B was made to reduce surcharge revenue by \$1,875 to eliminate the  
15 revenue generated by the emergency surcharge, which will be discontinued at the  
16 inception of new rates.  
17

18 **Q-9 Please explain Adjustments C, D, and E.**

19 **A-9** Adjustment C, as reflected on Schedule C-2a removes office related expenses that  
20 appeared on the general ledger prior to the test year, and added expenses incurred during  
21 the test year but were recorded in the general ledger subsequent to it.  
22

23 Schedule C-2b depicts Adjustment D to Outside Services. Part of this adjustment  
24 normalizes accounting expenses for the test year, but the major portion of Adjustment D  
25 removes management fees recorded in the general ledger and replaces them per the  
26 calculation at the bottom of Schedule C-2b. Due to the dire financial situation of this  
27 company, SUM has been charging a reduced rate for its services. However, this is a  
28



1 temporary arrangement, and the correct amount must be included in the proposed revenue  
2 requirement. Adjustment E is calculated on Schedule C-2c, and is similar in purpose to  
3 Adjustment C.  
4

5 **Q-10 Please explain Adjustment F to the income statement.**

6 **A-10** Adjustment F removes a small amount of expense related to workers  
7 compensation insurance the utility carried when it had employees. Due to the  
8 management contract with SUM now in place, this amount will not recur.  
9

10 **Q-11 How did you determine the amount of proposed rate case expense?**

11 **A-11** My estimate for Adjustment G is detailed in the following table. The current test  
12 year amount includes amounts paid for the 2009 emergency rate case.  
13

14	Test Year Expense	\$1,404
15	Estimated Rate Case Expense	\$6,000
16	Subtotal	\$7,404
17	Recovery period	3
18	Annual recovery amount	\$2,468
19	Adjustment amount	\$1,064

20 **Q-12 Please explain how you calculated Adjustment H to depreciation expense.**

21 **A-12** Schedule C-2d begins with plant in service at the end of the test year, and applies  
22 depreciation rates normally recommended by Staff, resulting in proposed depreciation  
23 expense of \$14,443, or an increase of \$4,640 over test year actual expense of \$9,803.  
24

25 **Q-13 Please explain Adjustments I and J on Schedule C-1.**

26 **A-13** Adjustment I adjusts payroll taxes (Account 408) by \$33 to remove expenses  
27 related to payroll taxes when the utility had employees. Like Adjustment F, since a  
28 management contract with SUM now in place, this amount will not recur.

1 Adjustment J removes a small amount of late fees associated with property tax expense.

2 **Q-14 Please explain the increase to interest expense of \$27,738 as reflected by**  
3  
4 **Adjustment K.**

5 **A-14** The \$27,738 of interest expense represents the prorata share of the proposed  
6 \$3,000,000 consolidated WIFA loan to improve all three commonly owned systems. The  
7 Antelope Run share of the WIFA loan is estimated as \$562,397, amortized at 5% over a  
8 20-year period.  
9

10 **Q-15 Finally, explain how Adjustment L was determined.**

11 **A-15** Adjustment L increased metered water revenue from the adjusted test year amount  
12 of \$48,910, by \$90,065 to \$138,975 for Antelope Run, per the calculation set forth on  
13 Schedule A-1.  
14

15 **Q-16 Please summarize your rate design for Antelope Run.**

16 **A-16** Antelope Run currently has customers on three meter sizes: 5/8 by 3/4 inch, 1 inch  
17 and 2 inch. There are both residential and commercial customers on the 5/8 by 3/4 meters.  
18 All of the 1 inch customers are residential customers. Antelope Run's only customer on a  
19 2 inch meter is its sister company Indiada. The sales to Indiada from the 2 inch meter  
20 were included in current revenues in order to match revenues to the bill count. However,  
21 in designing proposed rates the revenue received from Indiada was not included in the  
22 calculation as it is not expected that Indiada will purchase water from Antelope Run after  
23 the companies are consolidated. The proposed rates for Antelope Run were designed to  
24 recover the metered water revenue requirement of \$138,975.  
25  
26  
27  
28

1 The monthly minimums were set using the standard meter size multipliers such  
2 that minimum charge for the 1 inch meters is 2.5 times that of the 5/8 by 3/4 inch meters.

3  
4 Commodity rates for the 5/8 by 3/4 inch meters have three tiers. The second tier  
5 commodity rate equals 1.8 times the first tier rate and the third tier rate equals 1.8 times  
6 the second tier rate. The tier breaks are set at 3,000 and 10,000 gallons.

7  
8 Commodity rates for the 1 inch meters have two tiers and equal the first two tier  
9 rates for the 5/8 by 3/4 inch meters. The tier break is set at 8,000 gallons. This level of  
10 tier break was selected in order to maximize the conservation benefit of the tiered rate  
11 structure. The following table shows the effect of the proposed rates on 5/8 by 3/4 inch  
12 residential customers with median consumption.  
13

14

Median Gallons	Current Bill (Including Surcharge)	Bill Under Proposed Rates	Percent Increase
6,900	\$23.98	\$43.45	81.19%

15  
16  
17

18 **Q-17 Is there anything else you would like to add?**

19  
20 **A-17** Yes. A complete application including proposed rates has been assembled for  
21 Antelope Run for comparative purposes per Staff's request. Although this application  
22 provides stand alone financial analysis for Antelope Run, it is the desire of the ownership  
23 that Antelope Run be consolidated with Indiada Water Company and East Slope Water  
24 Company, Inc. into one entity. This new entity would be structured as a C-Corp, unlike  
25 Antelope Run as a stand alone entity, and includes a gross up for income tax recovery.  
26

27 **Q-18 Does this conclude your testimony?**

28 **A-18** Yes.

# EXHIBIT 2

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule A-1**  
**Title: Computation of Increase in Gross**  
**Revenue Requirements**

Explanation:  
Schedule showing computation of increase in gross revenue requirements and spread of revenue increase by customer classification.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Special Reqmt	<input type="checkbox"/>

	Original Cost		RCND
1. Adjusted Rate Base	\$ 61,769	(a)	(a)
2. Adjusted Operating Income	\$ (34,390)	(b)	(b)
3. Current Rate of Return	-55.68%		
4. Required Operating Income	\$ 7,412		
5. Required Rate of Return	12.00%		
6. Operating Income Deficiency (4 - 2)	\$ 41,803		
7. Gross Revenue Conversion Factor	1.0000	(c)	(c)
8. Increase in Gross Revenue Requirements (6 x 7)	<u>\$ 41,803</u>		

9. Proposed Revenue	\$ 139,322
10. Required Operating Margin	39.96%
11. Required Operating Income (9 x 10)	<u>\$ 55,675</u>
12. Operating Income Deficiency (11 - 2)	\$ 90,065
13. Gross Revenue Conversion Factor	1.000
14. Increase in Gross Revenue Requirements (12 x 13)	<u><u>\$ 90,065</u></u>

Customer Classification	Adjusted Revenue at Present Rates	Revenue at Proposed Rates	Dollar Increase	Percent Increase	
Residential	\$ 48,448	\$ 137,435	\$ 88,987	183.67%	(d)
Commercial	462	1,540	1,078	233.33%	
Industrial	-	-	-	0.00%	
Other	347	347	-	0.00%	
<b>Total</b>	<u><u>\$ 49,257</u></u>	<u><u>\$ 139,322</u></u>	<u><u>\$ 90,065</u></u>	<u><u>182.85%</u></u>	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

- (a) B-1 (c) C-3  
(b) C-1 (d) H-1

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule A-2**  
**Title: Summary Results of Operations**

**Explanation:**

Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-07	31-Dec-08	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 53,008	\$ 48,480	\$ 52,569	\$ 49,257	\$ 49,257	\$ 139,322
2. Revenue Deductions & Operating Expenses	(49,645)	(65,450)	(68,043)	(83,647)	(83,647)	(83,647)
3. Operating Income	\$ 3,363	\$ (16,970)	\$ (15,474)	\$ (34,390)	\$ (34,390)	\$ 55,675
4. Other Income and Deductions	(450)	9	-	-	-	-
5. Interest Expense	-	-	-	(27,738)	(27,738)	(27,738)
6. Net Income	\$ 2,913	\$ (16,961)	\$ (15,474)	\$ (62,129)	\$ (62,129)	\$ 27,937

7. Earned Per Average Common Share\*

8. Dividends Per Common Share\*

9. Payout Ratio\*

10. Return on Average Invested Capital

11. Return on Year End Capital

12. Return on Average Common Equity

13. Return on Year End Common Equity

14. Times Bond Interest Earned - Before Inc Tax

15. Times Total Interest and Preferred Dividends  
Earned - After Income Taxes

No Shares Issued						
16.65%	-125.67%	-410.83%	-1649.50%	-1649.50%	741.73%	
16.65%	-178.63%	Double Negative			-1423.91%	
16.65%	-125.67%	-410.83%	-1649.50%	-1649.50%	741.73%	
16.65%	-178.63%	Dbl Neg	Double Negative		-1423.91%	
No interest expense		200.72%				
		200.72%				

Supporting Schedules:

(a) E-2

(b) C-1

(c) F-1

\*Optional for projected year

**Antelope Run Water Company**  
**Test Year Ended December 31, 2009**

**Schedule A-4**  
**Title: Construction Expenditures and**  
**Gross Utility Plant in Service**

**Explanation:**

Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities ☒  
 Class A ☐  
 Class B ☐  
 Class C ☐  
 Class D ☐  
 Specl Reqmt ☐

Year	Construction Expenditures (a)	Net Plant Placed In Service (b)	Gross Utility Plant In Service
1. Prior Year 1 - 2007	\$ 16,169	\$ 16,169	\$ 159,683
2. Prior Year 2 - 2008	31,641	31,641	191,324
3. Test Year - 2009	6,501	3,647	194,971
4. Projected Year 1	562,397	565,251	760,222
5. Projected *			
6. Projected *			

\* Required only for Class A and B Utilities

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) F-3

(b) E-5

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule B-1**  
**Title: Summary of Original Cost**  
**and RCND**

Explanation:  
Schedule showing elements of adjusted original cost  
and RCND rate bases.

Required for: All Utilities	<input checked="checked" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Speci Reqmt	<input type="checkbox"/>

	<b>Original Cost</b> <b>Rate Base*</b>	<b>RCND</b> <b>Rate Base*</b>
1. Gross Utility Plant in Service	\$ 194,971	
2. Less: Accumulated Depreciation	(93,631)	
3. Net Utility Plant in Service	\$ 101,340 (a)	(b)
<b>Less:</b>		
4. Advances in Aid of Construction	46,435 (c)	(c)
5. Contributions in Aid of Construction	- (c)	(c)
<b>Add:</b>		
6. Allowance for Working Capital	6,864 (d)	(d)
<b>7. Total Rate Base</b>	<b>\$ 61,769 (e)</b>	<b>(e)</b>

\* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

- (a) B-2 (d) B-5
- (b) B-3
- (c) E-1

Recap Schedules:

- (e) A-1



**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule B-2**  
**Title: Original Cost Rate Base**  
**Proforma Adjustments**

Explanation:  
Schedule showing pro forma adjustments to gross plant  
in service and accumulated depreciation for the original  
cost rate base.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

	<u>Actual at End</u> <u>Of Test Year (a)</u>	<u>Pro forma</u> <u>Adjustment</u>	<u>Adjusted at End</u> <u>Of Test Year (b)</u>
1. Gross Utility Plant in Service	\$ 194,971		\$ 194,971
2. Less: Accumulated Depreciation	(93,631)		(93,631)
3. Net Utility Plant in Service	<u>\$ 101,340</u>	\$ -	<u>\$ 101,340</u>

*All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.*

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-1

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule B-5**  
**Title: Computation of Working**  
**Capital**

Explanation:  
Schedule showing computation of working capital allowance.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

	<u>Amount</u>	
1. Cash working capital		
1/24th Purchased Power	\$ 737	
1/24th Purchased Water	-	
1/8th Operation & Maintenance Expense	6,127	
2. Materials and Supplies Inventories	-	(a)
3. Prepayments	-	(a)
4. Total Working Capital Allowance	<u>\$ 6,864</u>	(b)

**NOTES:**

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-1

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule C-1**  
**Title: Adjusted Test Year Income Statement**

Explanation:  
Schedule showing statement of income for the test year,  
including pro forma adjustments.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specd Reqmt	<input type="checkbox"/>

Description	Actual for Test Year Ended (a) 31-Dec-09	Ref	Proforma Adjustments (b)	Test Year Results After Pro Forma Adjustments	Ref	Proposed Rate Increase	Adjusted Test Year With Rate Increase
<b>Operating Revenues:</b>							
461 Metered Water Revenue	\$ 50,347	A	\$ (1,437)	\$ 48,910	L	\$ 90,065	\$ 138,975
461.1 Surcharge Revenue	1,875	B	(1,875)	-			-
474 Other Water Revenue	347			347			347
<b>Total Operating Revenue</b>	<b>\$ 52,569</b>		<b>\$ (3,312)</b>	<b>\$ 49,257</b>		<b>\$ 90,065</b>	<b>\$ 139,322</b>
<b>Operating Expenses:</b>							
601 Salaries & Wages	\$ -			\$ -			\$ -
610 Purchased Water	-			-			-
615 Purchased Power	17,695			17,695			17,695
618 Chemicals	166			166			166
620 Repairs & Maintenance	3,358			3,358			3,358
621 Office Supplies and Expense	2,435	C	(42)	2,393			2,393
630 Outside Services	22,748	D	10,730	33,478			33,478
635 Water Testing	1,899			1,899			1,899
641 Rental Expense	-			-			-
650 Transportation Expense	5,909	E	(664)	5,245			5,245
657 Insurance - General Liability	25	F	(25)	-			-
659 Insurance - Health and Life	-			-			-
666 Rate Case Expense	1,404	G	1,064	2,468			2,468
675 Miscellaneous Expense	5			5			5
403 Depreciation & Amortization	9,803	H	4,640	14,443			14,443
408 Taxes Other Than Income	33	I	(33)	-			-
408.11 Property Taxes	2,563	J	(66)	2,497			2,497
409 Income Taxes	-			-			-
<b>Total Operating Expenses</b>	<b>\$ 68,043</b>		<b>\$ 15,604</b>	<b>\$ 83,647</b>		<b>\$ -</b>	<b>\$ 83,647</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (15,474)</b>		<b>\$ (18,916)</b>	<b>\$ (34,390)</b>	(c)	<b>\$ 90,065</b>	<b>\$ 55,675</b>
<b>Other Income/(Expense):</b>							
419 Interest Income	\$ -			\$ -			\$ -
421 Non-Utility Income	-			-			-
426 Miscellaneous Non-Utility Expenses	-			-			-
427 Interest Expense	-	K	(27,738)	(27,738)			(27,738)
<b>Total Other Income/(Expense)</b>	<b>\$ -</b>		<b>\$ (27,738)</b>	<b>\$ (27,738)</b>		<b>\$ -</b>	<b>\$ (27,738)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (15,474)</b>		<b>\$ (46,655)</b>	<b>\$ (62,129)</b>		<b>\$ 90,065</b>	<b>\$ 27,937</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-2  
(b) C-2

Recap Schedules:  
(c) A-1

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule C-2**  
**Title: Income Statement Proforma**  
**Adjustments**

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec Reqmt	<input type="checkbox"/>

**Explanation:**

Schedule itemizing pro forma adjustments to the test year income statement.

Description	A	B	C	D	E	F	G	H	I	J	K	L	Total (a) Adjustments
<b>Revenues:</b>													
Metered Water Revenue	\$ (1,437)												\$ 88,628
Surcharge Revenue		\$ (1,875)											(1,875)
<b>Expenses:</b>													
Office Supplies and Expense			\$ (42)										\$ (42)
Outside Services				\$ 10,730									10,730
Transportation Expenses					\$ (664)								(664)
Insurance - General Liability						\$ (25)							(25)
Rate Case Expense							\$ 1,064						1,064
Depreciation & Amortization								\$ 4,640					4,640
Taxes Other Than Income									\$ (33)				(33)
Property Tax										\$ (66)			(66)
Other Income/(Expense):													
Interest Expense											\$ (27,738)		\$ (27,738)

**Adjustment Descriptions:**

- A - Remove intercompany water sales during the test year to Indiada by a 2-inch meter.
- B - Remove surcharge revenue from the test year as it is temporary, and will not be included in proposed rates.
- C - Adjust office supplies and expense per calculation on Schedule C-2a.
- D - Adjust outside services expense per calculation on Schedule C-2b.
- E - Adjust transportation expense per calculation on Schedule C-2c.
- F - Remove workers compensation insurance expense that will non-recur as a result of management contract.
- G - Increase rate case expense to recover \$1,404 incurred for the emergency rate case, and estimated costs of \$6,000 for this rate case, amortized over 3 years, (\$7,404/3).
- H - Increase depreciation expense based upon proposed depreciation rates per schedule C-2d.
- I - Remove payroll tax expense that will not recur due to management contract.
- J - Remove late fees associated with property taxes.
- K - Increase interest expense for proposed WIFA loan.
- L - Increase proposed revenue per calculation on Schedule A-1.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

**Supporting Schedules:**

Recap Schedules:  
(a) C-1

C-2a through C-2d

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule C-2a**  
**Title: Income Statement Proforma**  
**Adjustments**

**DETAIL OF PROPOSED OFFICE SUPPLIES AND EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
November 2008 billing forms	\$ (6)
December 2008 billing forms	(6)
December 2009 billing forms	6
November 2008 postage	(45)
December 2008 postage	(45)
December 2009 postage	54
<b>Total Adjustment C</b>	<b>\$ <u>(42)</u></b>

Antelope Run Water Company  
Test Year Ended December 31, 2009

Schedule C-2b  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OUTSIDE SERVICES EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
December 2008 accounting	\$ (130)
December 2009 accounting	130
Remove test year management fees expense per general ledger	(18,528)
Proforma management fees expense	29,258
<b>Total Adjustment D</b>	<b>\$ 10,730</b>

Antelope Run Water Company  
Test Year Ended December 31, 2009

Schedule C-2c  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED TRANSPORTATION EXPENSE ADJUSTMENT**

Description	Amount
November 2008 mileage	\$ (109)
December 2008 mileage	(338)
December 2009 mileage	383
Non-recurring vehicle lease expenses	(600)
Total Adjustment E	<u>\$ (664)</u>

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule C-2d**  
**Title: Income Statement Proforma**  
**Adjustments**

**DETAIL OF PROPOSED DEPRECIATION EXPENSE CALCULATION**

<b>Account Number</b>	<b>Description</b>	<b>Plant @ End of Test Year 31-Dec-09</b>	<b>Proposed Depreciation Rate</b>	<b>Proposed Depreciation Expense</b>
302	Franchises	\$ -	0.00%	\$ -
303	Land & Land Rights	5,159	0.00%	-
304	Structures & Improvements	619	3.33%	21
307	Wells & Springs	17,939	3.33%	597
311	Pumping Equipment	94,263	12.50%	11,783
320	Water Treatment Equipment	-		-
320.1	Water Treatment Plants	-	3.33%	-
320.2	Solution Chemical Feeders	-	20.00%	-
330	Distribution Reservoirs & Standpipes	3,475	2.22%	77
330.1	Storage Tanks	425	2.22%	9
330.2	Pressure Tanks.	3,413	5.00%	171
331	Transmission & Distribution Mains	63,498	2.00%	1,270
333	Services	-	3.33%	-
334	Meters & Meter Installations	6,180	8.33%	515
335	Hydrants	-	2.00%	-
339	Other Plant and Misc Equipment	-	6.67%	-
340	Office Furniture & Equipment	-	6.67%	-
340.1	Computers and Software	-	20.00%	-
341	Transportation Equipment	-	20.00%	-
343	Tools, Shop, and Garage Equipment	-	5.00%	-
345	Power Operated Equipment	-	5.00%	-
348	Other Tangible Plant	-	0.00%	-
<b>Proposed Totals</b>		<b>\$ 194,971</b>		<b>\$ 14,443</b>
Test Year Depreciation Expense				9,803
<b>Total Adjustment H</b>				<b>\$ 4,640</b>



**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule C-3**  
**Title: Computation of Gross Revenue**  
**Conversion Factor**

Explanation:  
Schedule showing incremental taxes on gross revenues and  
the development of a gross revenue conversion factor.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Description	Calculation
Revenue	1.0000
Combined Federal And State Tax Rate	-
Subtotal	1.0000
<b>Gross Revenue Conversion Factor = 1/Operating Income %</b>	<b>1.0000</b>

*CALCULATION OF COMBINED FEDERAL AND STATE TAX RATE:*

Operating Income Before Taxes (Arizona Taxable Income)	100.0000%
Arizona State Income Tax Rate	0.0000%
Federal Taxable Income	100.0000%
Federal Income Tax Rate	0.0000%
Effective Federal Income Tax Rate	0.0000%
Combined Federal And State Income Tax Rates	0.0000%

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule D-1**  
**Title: Summary Cost of Capital**

Explanation:  
Schedule showing elements of capital structure  
and the related cost.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)					\$ 562,397	100.35%	5.00%	5.02%
Short-Term Debt (a)					-			
Common Equity (c)	\$ (1,962)	100.00%	12.00%	12.00%	(1,962)	-0.35%	12.00%	-0.04%
Total	<u>\$ (1,962)</u>	<u>100.00%</u>		<u>12.00%</u>	<u>\$ 560,435</u>	<u>100.00%</u>		<u>4.98%</u>

Supporting Schedules:

- (a) D-2
- (b) D-3
- (c) D-4
- (d) E-1

Recap Schedules:

- (e) A-3

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule E-1**  
**Title: Comparative Balance**  
**Sheet**

Explanation:  
Schedule showing comparative balance sheets at the end of the  
test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

	Test Year At 31-Dec-09	Prior Year 31-Dec-08	Prior Year 31-Dec-07
<b>ASSETS</b>			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 194,971	\$ 191,324	\$ 159,683
103 Property Held for Future Use			
105 Construction Work in Process	2,854		
108 Accumulated Depreciation	(93,631)	(84,232)	(75,714)
Total Property Plant & Equipment	\$ 104,194	\$ 107,092	\$ 83,969
Current Assts:			
131 Cash	\$ 939	\$ 3,683	\$ 634
135 Temporary Cash Investments			
141 Customer Accounts Receivable	4,169	92	92
146 Notes/Receivables from Associated Companies			
151 Plant Material and Supplies			
162 Prepayments			
174 Miscellaneous Current and Accrued Assets	10		
Total Current Assets	\$ 5,118	\$ 3,775	\$ 726
<b>TOTAL ASSETS</b>	<b>\$ 109,312</b>	<b>\$ 110,867</b>	<b>\$ 84,695</b>
<b>LIABILITIES and CAPITAL</b>			
Capitalization: (b)			
201 Common Stock Issued	\$ -	\$ -	\$ -
211 Paid in Capital in Excess of Par Value			
215 Retained Earnings			
218 Proprietary Capital	(1,962)	9,495	17,497
Total Capital	\$ (1,962)	\$ 9,495	\$ 17,497
Current Liabilities:			
231 Accounts Payable	\$ 29,054	\$ 38,442	\$ 4,558
232 Notes Payable (Current Portion)			
234 Notes/Accounts Payable to Associated Companies	35,114	15,114	14,114
235 Customer Deposits	364	5,740	
236 Accrued Taxes	307	416	576
241 Miscellaneous Current and Accrued Liabilities			
Total Current Liabilities	\$ 64,839	\$ 59,712	\$ 19,248
224 Long-Term Debt (Over 12 Months)	\$ -	\$ -	\$ -
Deferred Credits:			
252 Advances In Aid Of Construction	\$ 46,435	\$ 41,660	\$ 47,950
271 Contributions In Aid Of Construction			
272 Less: Amortization of Contributions			
281 Accumulated Deferred Income Tax			
Total Deferred Credits	\$ 46,435	\$ 41,660	\$ 47,950
Total Liabilities	\$ 111,274	\$ 101,372	\$ 67,198
<b>TOTAL LIABILITIES and CAPITAL</b>	<b>\$ 109,312</b>	<b>\$ 110,867</b>	<b>\$ 84,695</b>

Supporting Schedules:  
(a) E-5

Recap Schedules:  
(b) A-3

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule E-2**  
**Title: Comparative Income**  
**Statements**

**Explanation:**

Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec Reqmt	<input type="checkbox"/>

	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
<b>Revenues: (a)</b>			
461 Metered Water Revenue	\$ 50,347	\$ 48,329	\$ 52,528
461.1 Surcharge Revenue	1,875	-	-
474 Other Water Revenue	347	151	480
<b>Total Revenues</b>	<b>\$ 52,569</b>	<b>\$ 48,480</b>	<b>\$ 53,008</b>
<b>Operating Expenses (a)</b>			
601 Salaries & Wages	\$ -	\$ 5,400	\$ 7,200
610 Purchased Water	-	-	-
615 Purchased Power	17,695	15,296	16,104
618 Chemicals	166	-	-
620 Repairs and Maintenance	3,358	12,747	4,606
621 Office Supplies and Expense	2,435	12,332	1,210
630 Outside Services	22,748	2,847	1,401
635 Water Testing	1,899	1,485	630
641 Rents	-	900	1,200
650 Transportation Expense	5,909	1,572	1,500
657 Insurance - General liability	25	-	-
659 Insurance - Health and Life	-	-	-
666 Regulatory Commission Expense - Rate Case	1,404	-	-
675 Miscellaneous Expense	5	374	132
403 Depreciation Expense	9,803	10,873	11,573
408 Taxes Other Than Income	33	457	1,031
408.11 Property Taxes	2,563	1,167	3,058
409 Income Tax	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 68,043</b>	<b>\$ 65,450</b>	<b>\$ 49,645</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (15,474)</b>	<b>\$ (16,970)</b>	<b>\$ 3,363</b>
<b>Other Income/(Expense)</b>			
419 Interest and Dividend Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	9	-
426 Miscellaneous Non-Utility Expense	-	-	(450)
427 Interest Expense	-	-	-
<b>Total Other Income/(Expense)</b>	<b>\$ -</b>	<b>\$ 9</b>	<b>\$ (450)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (15,474)</b>	<b>\$ (16,961)</b>	<b>\$ 2,913</b>

Supporting Schedules:  
(a) E-6

Recap Schedules:  
A-2

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule E-5**  
**Title: Detail of Utility Plant**

Explanation:  
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Account Number	Description	End of Prior Year at 31-Dec-08	Net Additions	End of Test Year at 31-Dec-09
302	Franchises	\$ -		\$ -
303	Land & Land Rights	5,159		5,159
304	Structures & Improvements	619		619
307	Wells & Springs	17,939		17,939
311	Pumping Equipment	91,796	2,467	94,263
320	Water Treatment Equipment	-		-
320.1	Water Treatment Plants	-		-
320.2	Solution Chemical Feeders	-		-
330	Distribution Reservoirs & Standpipes	3,475		3,475
330.1	Storage Tanks	425		425
330.2	Pressure Tanks.	3,413		3,413
331	Transmission & Distribution Mains	63,498		63,498
333	Services	-		-
334	Meters & Meter Installations	5,000	1,180	6,180
335	Hydrants	-		-
339	Other Plant and Misc Equipment	-		-
340	Office Furniture & Equipment	-		-
340.1	Computers and Software	-		-
341	Transportation Equipment	-		-
343	Tools, Shop, and Garage Equipment	-		-
345	Power Operated Equipment	-		-
348	Other Tangible Plant	-		-
<b>Total Plant In Service</b>		<b>\$ 191,324</b>	<b>\$ 3,647</b>	<b>\$ 194,971</b>
108	Accumulated Depreciation	(84,232)	(9,399)	(93,631)
<b>Net Plant In Service</b>		<b>\$ 107,092</b>	<b>\$ (5,752)</b>	<b>\$ 101,340</b>
103	Property Held for Future Use	\$ -		\$ -
105	Construction Work in Process	-	2,854	2,854
<b>Total Net Plant</b>		<b>\$ 107,092</b>	<b>\$ (2,898)</b>	<b>\$ 104,194</b>

Supporting Schedules:

Recap Schedules:  
E-1 A-4

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule E-7**  
**Title: Operating Statistics**

Explanation:  
Schedule showing key operating statistics in comparative format,  
for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="checked" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
<b>Water Statistics:</b>			
Gallons Sold - By Class of Service:			
Residential	25,165,060	25,712,190	24,102,020
Commercial	315,940	394,810	319,240
Average Number of Customers - By Class of Service:			
Residential	166	165	162
Commercial	1	1	1
Average Annual Gallons Per Residential Customer	151,597	155,831	148,778
Average Annual Revenue Per Residential Customer	\$ 356.56	\$ 360.79	\$ 353.74
Pumping Cost Per 1,000 Gallons	\$ 0.6944	\$ 0.5859	\$ 0.6594

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule E-8**  
**Title: Taxes Charged to Operations**

Explanation:  
Schedule showing all significant taxes charged to operations for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Speci Reqmt ☐

Description	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Federal Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	-	457	608
Total Federal Taxes	\$ -	\$ 457	\$ 608
State Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	33	-	423
Total State Taxes	\$ 33	\$ -	\$ 423
Local Taxes:			
Property	\$ 2,563	\$ 1,167	\$ 3,058
<b>Total Taxes</b>	<b>\$ 2,596</b>	<b>\$ 1,624</b>	<b>\$ 4,089</b>

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

Antelope Run Water Company  
Test Year Ended December 31, 2009

Schedule E-9  
Title: Notes to Financial  
Statements

Explanation:  
Disclosure of important facts pertaining to the understanding  
of the financial statements.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Disclosures should include, but not be limited to the following:

1 Accounting Method.

**The books of the unconsolidated entity are kept as accrual based, and also follow NARUC rules, including the USoA.**

2 Depreciation lives and methods employed by major classification of utility property.

**For years up to and including the test year 2009, the depreciation rate as authorized in Decision 56062 was 5% for all plant asset categories. Proposed depreciation rates are depicted on Schedule C-2d, and were taken from ACC Engineering Staff Memo regarding their recommended rates for depreciation dated April 21, 2000, and revised March 1, 2001.**

3 Income tax treatment - normalization or flow through.

**Income taxes are not a factor in the unconsolidated company since the entity is a Sole Proprietorship.**

4 Interest rate used to charge interest during construction, if applicable.

**Not Applicable.**

Supporting Schedules:

Recap Schedules:



**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule F-1**  
**Title: Projected Income Statements -**  
**Present and Proposed Rates**

Explanation:  
Schedule showing an income statement for the projected year,  
compared with actual test year results, at present and proposed  
rates.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

	<u>Projected Year</u>		
	<u>Actual</u>	<u>At Present</u>	<u>At Proposed</u>
	<u>Test Year</u> <u>Ended (a)</u> <u>31-Dec-09</u>	<u>Rates</u> <u>Year Ended (b)</u> <u>31-Dec-10</u>	<u>Rates</u> <u>Year Ended (b)</u> <u>31-Dec-10</u>
<b>Operating Revenues:</b>			
461 Metered Water Revenue	\$ 50,347	\$ 48,910	\$ 138,975
461.1 Surcharge Revenue	1,875	-	-
474 Other Water Revenue	347	347	347
<b>Total Operating Revenue</b>	<b>\$ 52,569</b>	<b>\$ 49,257</b>	<b>\$ 139,322</b>
<b>Operating Expenses:</b>			
601 Salaries & Wages	\$ -	\$ -	\$ -
610 Purchased Water	-	-	-
615 Purchased Power	17,695	17,695	17,695
618 Chemicals	166	166	166
620 Repairs & Maintenance	3,358	3,358	3,358
621 Office Supplies and Expense	2,435	2,393	2,393
630 Outside Services	22,748	33,478	33,478
635 Water Testing	1,899	1,899	1,899
641 Rental Expense	-	-	-
650 Transportation Expense	5,909	5,245	5,245
657 Insurance - General Liability	25	-	-
659 Insurance - Health and Life	-	-	-
666 Rate Case Expense	1,404	2,468	2,468
675 Miscellaneous Expense	5	5	5
403 Depreciation & Amortization	9,803	14,443	14,443
408 Property Taxes	33	-	-
408.1 Taxes Other Than Income	2,563	2,497	2,497
409 Income Taxes	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 68,043</b>	<b>\$ 83,647</b>	<b>\$ 83,647</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (15,474)</b>	<b>\$ (34,390)</b>	<b>\$ 55,675</b>
<b>Other Income/(Expense):</b>			
419 Interest Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	-	-
426 Miscellaneous Non-Utility Expenses	-	-	-
427 Interest Expense	-	(27,738)	(27,738)
<b>Total Other Income/(Expense)</b>	<b>\$ -</b>	<b>\$ (27,738)</b>	<b>\$ (27,738)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (15,474)</b>	<b>\$ (62,129)</b>	<b>\$ 27,937</b>

Earnings per share of average  
Common Stock Outstanding

No stock issued

% Return on Common Equity

Double Negative

-1423.89%

Supporting Schedules:  
(a) E-2

Recap Schedules:  
(b) A-2

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule F-3**  
**Title: Projected Construction**  
**Requirements**

Explanation:  
Schedule showing projected annual construction requirements,  
by property classification, for 1 to 3 years subsequent to the  
test year compared with the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

<b>Property Classification</b>	<b>Actual Test Year Ended 12/31/2009</b>	<b>End of Projected Year 1</b>
Production Plant	\$ 2,467	\$ 251,529
Transmission Plant	-	310,868
Other Plant	1,180	-
<b>Total Plant</b>	<b>\$ 3,647</b>	<b>\$ 562,397</b>

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:  
(a) F-2 & A-4

Antelope Run Water Company  
Test Year Ended December 31, 2009

Schedule F-4  
Title: Assumptions Used in  
Developing Projection

Explanation:  
Documentation of important assumptions used in preparing  
forecasts and projections

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Important assumptions used in preparing projections should be explained.

Areas covered should include:

- 1 Customer growth  
**The company has experienced no growth in the past few years.**
- 2 Growth in consumption and customer demand  
**The company does not anticipate an increase in customer consumption and demand due to the proposed tiered rate structure.**
- 3 Changes in expenses  
**The company believes the test year 2009, with the limited proforma adjustments included in this application, accurately depict expense levels for the unconsolidated utility going forward.**
- 4 Construction requirements including production reserves and changes in plant capacity  
**The Company is seeking a loan from WIFA for the three commonly owned entities totaling \$3 million to replace lines, add storage, and upgrade pumps and electrical at well and booster sites.**
- 5 Capital structure changes  
**If the proposed consolidation of Antelope Run Water with the two related entities is approved, the new utility's structure would be a C-Corp.**
- 6 Financing costs, interest rates  
**The company proposes to borrow funds from WIFA, and it will be required to pay WIFA's normal fees, reserves, and the prevailing interest rate at the time the loan is closed. Antelope Run's share of the interest expense is included on the unconsolidated income statement for comparative purposes.**

Supporting Schedules:

Recap Schedules:

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule: H-1**  
**Title: Summary of Revenues by Customer**  
**Classification - Present and Proposed Rates**

Explanation:  
Schedule comparing revenues by customer classification for  
the Test Year, at present and proposed rates.

Required for: All Utilities ☒ X  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)		
	Present Rates	Proposed Rates	Amount	%	
Residential					
5/8 x 3/4 inch	\$ 45,217	\$ 129,620	84,404	186.66%	
1 inch	\$ 3,226	\$ 7,814	4,588	142.25%	
2 inch	-	-	-	NA	
Commercial					
5/8 x 3/4 inch	\$ 462	\$ 1,540	1,078	233.43%	
1 inch	\$ -	\$ -	-	NA	
2 inch	1,443	-	(1,443)	-100.00%	
<b>Total Metered Water Revenues</b>	<b>\$ 50,347</b>	<b>\$ 138,975</b>	<b>\$ 88,628</b>	<b>176.03%</b>	
Emergency Surcharge	\$ 1,875	\$ -	(1,875)	-100.00%	
Other Revenues	\$ 347	\$ 347	-	0.00%	
<b>Total Revenues</b>	<b>\$ 52,569</b>	<b>\$ 139,322</b>	<b>\$ 86,753</b>	<b>165.03%</b>	

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) H-2

Recap Schedules:  
(b) A-1

Antelope Run Water Company  
Test Year Ended December 31, 2009

Schedule: H-3  
Title: Changes in Representative Rate  
Schedules - Page 1 of 2

Explanation:  
Schedule comparing present rate schedules with proposed  
rate schedule.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

Description	Present Rate	Proposed Rate	% change
<b>MONTHLY USAGE CHARGE</b>			
5/8" x 3/4" Meter	\$ 11.50	\$ 29.42	156%
3/4" Meter	\$ 17.25	\$ 44.13	156%
1" Meter	\$ 28.75	\$ 73.55	156%
1-1/2" Meter	\$ 57.50	\$ 147.10	156%
2" Meter	\$ 92.00	\$ 235.36	156%
3" Meter	\$ 172.50	\$ 470.72	173%
4" Meter	\$ 287.50	\$ 735.50	156%
6" Meter	\$ 575.00	\$ 1,471.00	156%
Gallons Included in Monthly Usage Charge	-	-	0%

EMERGENCY INTERIM SURCHARGE EFFECTIVE: OCTOBER 30, 2009  
DECISION NO. 71323  
DOCKET NO. W-02327A-09-0284  
\$5.58 PER CUSTOMER PER MONTH

**COMMODITY CHARGE (EXCESS OF MINIMUM)**

1.00 Per 1,000 Gallons

**Commodity Charges Per 1,000 Gallons:**

5/8 x 3/4 - inch meter	Present Rate	Proposed Rate	% change
Tier one: 0 - 3,000 Gallons	\$ 1.00	\$ 1.400	40%
Tier two: 3,001 to 10,000 Gallons	\$ 1.00	\$ 2.520	152%
Tier three: All Gallons Over 10,000	\$ 1.00	\$ 4.536	354%
<b>3/4 - inch meter</b>			
Tier one: 0 - 3,000 Gallons	\$ 1.00	\$ 1.400	40%
Tier two: 3,001 to 10,000 Gallons	\$ 1.00	\$ 2.520	152%
Tier three: All Gallons Over 10,000	\$ 1.00	\$ 4.536	354%
<b>One - inch meter</b>			
Tier one: 0 - 8,000 Gallons	\$ 1.00	\$ 1.400	40%
Tier two: All Gallons Over 8,000	\$ 1.00	\$ 2.520	152%
<b>One and one half - inch meter</b>			
Tier one: 0 - 8,000 Gallons	\$ 1.00	\$ 1.400	40%
Tier two: All Gallons Over 8,000	\$ 1.00	\$ 2.520	152%
<b>Two - inch meter</b>			
Tier one: 0 - 8,000 Gallons	\$ 1.00	\$ 1.400	40%
Tier two: All Gallons Over 8,000	\$ 1.00	\$ 2.520	152%
<b>Three - inch meter</b>			
Tier one: 0 - 8,000 Gallons	\$ 1.00	\$ 1.400	40%
Tier two: All Gallons Over 8,000	\$ 1.00	\$ 2.520	152%

Antelope Run Water Company  
Test Year Ended December 31, 2009

Schedule: H-3  
Title: Changes in Representative Rate  
Schedules - Page 2 of 2

**Four - inch meter**

Tier one: 0 - 8,000 Gallons	\$	1.00	\$	1.400	40%
Tier two: All Gallons Over 8,000	\$	1.00	\$	2.520	152%

**Six - inch meter**

Tier one: 0 - 8,000 Gallons	\$	1.00	\$	1.400	40%
Tier two: All Gallons Over 8,000	\$	1.00	\$	2.520	152%

Description	Present Rate	Proposed Rate	% change
<b>SERVICE CHARGES</b>			
Establishment	\$ 20.00	\$ 35.00	75.00%
Establishment (After Hours)	30.00	\$ 50.00	66.67%
Reconnection (Delinquent)	10.00	\$ 35.00	250.00%
Reconnection (After Hours)	NA	\$ 50.00	NA
Meter Test (If Correct)	20.00	\$ 25.00	NA
Meter Reread (If Correct)	10.00	\$ 20.00	100.00%
NSF Check Charge	\$15.00	\$ 25.00	66.67%
Deposit	*	*	
Deposit Interest (Per Annum)	6%	*	
Deferred Payment (Per Month)	NA	**	
Late Charge (Per Month)	NA	**	
Re-establishment (Within 12 Months)	***	***	

**MONTHLY SERVICE CHARGE**

**FOR FIRE SPRINKLER:** N/A \*\*\*\*

**SERVICE LINE AND METER INSTALLATION CHARGES**

Refundable Pursuant to AAC R14-2-405

Description	Present Rate	Proposed Rates			% change
		Service Line	Meter Charge	Total Charge	
5/8" x 3/4" Meter	\$ 175.00	\$ 430.00	\$ 130.00	\$ 560.00	220%
3/4" Meter	220.00	\$ 430.00	\$ 230.00	660.00	200%
1" Meter	250.00	\$ 480.00	\$ 290.00	770.00	208%
1-1/2" Meter	275.00	\$ 535.00	\$ 500.00	1,035.00	276%
2" Meter - Turbine	\$ 500.00	\$ 815.00	\$ 1,020.00	1,835.00	100%
2" Meter - Compound	\$ 500.00	\$ 815.00	\$ 1,865.00	2,680.00	436%
3" Meter - Turbine	\$ 700.00	\$ 1,030.00	\$ 1,645.00	2,675.00	100%
3" Meter - Compound	\$ 700.00	\$ 1,150.00	\$ 2,545.00	3,695.00	428%
4" Meter - Turbine	\$ 1,300.00	\$ 1,460.00	\$ 2,620.00	4,080.00	100%
4" Meter - Compound	\$ 1,300.00	\$ 1,640.00	\$ 3,595.00	5,235.00	303%
6" Meter - Turbine	\$ 2,800.00	\$ 2,180.00	\$ 4,975.00	7,155.00	100%
6" Meter - Compound	\$ 2,800.00	\$ 2,300.00	\$ 6,870.00	9,170.00	228%

\* Per Commission Rule AAC R-14-2-403(B).

\*\* 1.50% of unpaid monthly balance.

\*\*\* Month off system times the monthly minimum per Commission rule AAC R14-2-403(D).

\*\*\*\* 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:

**Antelope Run Water Company**  
Test Year Ended December 31, 2009

**Schedule: H-4**  
**Title: Typical Bill**  
**Analysis**  
**Page 1 of 3**

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

5/8" x 3/4" meter  
*(Note: Rates apply to both residential and commercial usage)*

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 11.50	\$ 17.08	\$ 29.42	156%	72%
1,000	12.50	18.08	30.82	147%	70%
2,000	13.50	19.08	32.22	139%	69%
3,000	14.50	20.08	33.62	132%	67%
4,000	15.50	21.08	36.14	133%	71%
5,000	16.50	22.08	38.66	134%	75%
6,000	17.50	23.08	41.18	135%	78%
7,000	18.50	24.08	43.70	136%	81%
8,000	19.50	25.08	46.22	137%	84%
9,000	20.50	26.08	48.74	138%	87%
10,000	21.50	27.08	51.26	138%	89%
13,000	24.50	30.08	64.87	165%	116%
15,000	26.50	32.08	73.94	179%	130%
20,000	31.50	37.08	96.62	207%	161%
25,000	36.50	42.08	119.30	227%	184%
50,000	61.50	67.08	232.70	278%	247%
75,000	86.50	92.08	346.10	300%	276%
100,000	111.50	117.08	459.50	312%	292%
125,000	136.50	142.08	572.90	320%	303%
150,000	161.50	167.08	686.30	325%	311%
175,000	186.50	192.08	799.70	329%	316%
200,000	211.50	217.08	913.10	332%	321%

Supporting Schedules:

Antelope Run Water Company  
Test Year Ended December 31, 2009

Schedule: H-4  
Title: Typical Bill  
Analysis  
Page 2 of 3

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

1 inch meter  
(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities	<input checked="checked" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 28.75	\$ 34.33	\$ 73.55	156%	114%
1,000	29.75	35.33	74.95	152%	112%
2,000	30.75	36.33	76.35	148%	110%
3,000	31.75	37.33	77.75	145%	108%
4,000	32.75	38.33	79.15	142%	106%
5,000	33.75	39.33	80.55	139%	105%
6,000	34.75	40.33	81.95	136%	103%
7,000	35.75	41.33	83.35	133%	102%
8,000	36.75	42.33	84.75	131%	100%
9,000	37.75	43.33	87.27	131%	101%
10,000	38.75	44.33	89.79	132%	103%
15,000	43.75	49.33	102.39	134%	108%
20,000	48.75	54.33	114.99	136%	112%
25,000	53.75	59.33	127.59	137%	115%
40,000	68.75	74.33	165.39	141%	123%
50,000	78.75	84.33	190.59	142%	126%
75,000	103.75	109.33	253.59	144%	132%
100,000	128.75	134.33	316.59	146%	136%
125,000	153.75	159.33	379.59	147%	138%
150,000	178.75	184.33	442.59	148%	140%
175,000	203.75	209.33	505.59	148%	142%
200,000	228.75	234.33	568.59	149%	143%

Supporting Schedules:



Antelope Run Water Company  
Test Year Ended December 31, 2009

Schedule: H-4  
Title: Typical Bill  
Analysis  
Page 3 of 3

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

2 inch meter

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 92.00	\$ 97.58	\$ 235.36	156%	141%
1,000	93.00	98.58	236.76	155%	140%
2,000	94.00	99.58	238.16	153%	139%
3,000	95.00	100.58	239.56	152%	138%
4,000	96.00	101.58	240.96	151%	137%
5,000	97.00	102.58	242.36	150%	136%
6,000	98.00	103.58	243.76	149%	135%
7,000	99.00	104.58	245.16	148%	134%
8,000	100.00	105.58	246.56	147%	134%
9,000	101.00	106.58	247.68	145%	132%
10,000	102.00	107.58	250.20	145%	133%
15,000	107.00	112.58	262.80	146%	133%
20,000	112.00	117.58	275.40	146%	134%
25,000	117.00	122.58	288.00	146%	135%
50,000	142.00	147.58	351.00	147%	138%
75,000	167.00	172.58	414.00	148%	140%
100,000	192.00	197.58	477.00	148%	141%
125,000	217.00	222.58	540.00	149%	143%
150,000	242.00	247.58	603.00	149%	144%
175,000	267.00	272.58	666.00	149%	144%
200,000	292.00	297.58	729.00	150%	145%

Supporting Schedules:

**Antelope Run Water Company**  
Test Year Ended June 30, 2009

**Schedule: H-5**  
**Title: Bill Count**  
**Page 1 of 5**

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

**5/8 x 3/4 inch meter - Residential**

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	20	-	20	1.03%	-	0.00%
1 to 1,000	56	28,000	76	3.91%	28,000	0.12%
1,001 to 2,000	119	178,500	195	10.03%	206,500	0.90%
2,001 to 3,000	139	347,500	334	17.17%	554,000	2.41%
3,001 to 4,000	186	651,000	520	26.74%	1,205,000	5.23%
4,001 to 5,000	195	877,500	715	36.76%	2,082,500	9.04%
5,001 to 6,000	151	830,500	866	44.52%	2,913,000	12.65%
6,001 to 7,000	120	780,000	986	50.69%	3,693,000	16.04%
7,001 to 8,000	89	667,500	1,075	55.27%	4,360,500	18.94%
8,001 to 9,000	86	731,000	1,161	59.69%	5,091,500	22.11%
9,001 to 10,000	61	579,500	1,222	62.83%	5,671,000	24.63%
10,001 to 12,000	122	1,342,000	1,344	69.10%	7,013,000	30.46%
12,001 to 14,000	92	1,196,000	1,436	73.83%	8,209,000	35.65%
14,001 to 16,000	75	1,125,000	1,511	77.69%	9,334,000	40.54%
16,001 to 18,000	66	1,122,000	1,577	81.08%	10,456,000	45.41%
18,001 to 20,000	49	931,000	1,626	83.60%	11,387,000	49.45%
20,001 to 25,000	106	2,385,000	1,732	89.05%	13,772,000	59.81%
25,001 to 30,000	67	1,842,500	1,799	92.49%	15,614,500	67.81%
30,001 to 35,000	44	1,430,000	1,843	94.76%	17,044,500	74.02%
35,001 to 40,000	32	1,200,000	1,875	96.40%	18,244,500	79.23%
40,001 to 50,000	26	1,170,000	1,901	97.74%	19,414,500	84.31%
50,001 to 60,000	14	770,000	1,915	98.46%	20,184,500	87.66%
60,001 to 70,000	11	715,000	1,926	99.02%	20,899,500	90.76%
70,001 to 80,000	7	525,000	1,933	99.38%	21,424,500	93.04%
80,001 to 90,000	3	255,000	1,936	99.54%	21,679,500	94.15%
90,001 to 99,999	1	95,000	1,937	99.59%	21,774,500	94.56%
106,900	1	106,900	1,938	99.64%	21,881,400	95.03%
124,600	1	124,600	1,939	99.69%	22,006,000	95.57%
124,790	1	124,790	1,940	99.74%	22,130,790	96.11%
149,390	1	149,390	1,941	99.79%	22,280,180	96.76%
177,740	1	177,740	1,942	99.85%	22,457,920	97.53%
180,720	1	180,720	1,943	99.90%	22,638,640	98.31%
192,510	1	192,510	1,944	99.95%	22,831,150	99.15%
195,840	1	195,840	1,945	100.00%	23,026,990	100.00%
	1,945	23,026,990				

Average Number of Customers 162  
Average Consumption 11,839  
Median Consumption 6,900

Supporting Schedules:

Recap Schedules:

Antelope Run Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 2 of 5

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec Reqmt

X

5/8 x 3/4 inch meter - Commercial

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	-	-	-	0.00%	-	0.00%
1,001 to 2,000	-	-	-	0.00%	-	0.00%
2,001 to 3,000	-	-	-	0.00%	-	0.00%
3,001 to 4,000	-	-	-	0.00%	-	0.00%
4,001 to 5,000	-	-	-	0.00%	-	0.00%
5,001 to 6,000	-	-	-	0.00%	-	0.00%
6,001 to 7,000	-	-	-	0.00%	-	0.00%
7,001 to 8,000	-	-	-	0.00%	-	0.00%
8,001 to 9,000	-	-	-	0.00%	-	0.00%
9,001 to 10,000	-	-	-	0.00%	-	0.00%
10,001 to 12,000	-	-	-	0.00%	-	0.00%
12,001 to 14,000	-	-	-	0.00%	-	0.00%
14,001 to 16,000	2	30,000	2	16.67%	30,000	9.26%
16,001 to 18,000	2	34,000	4	33.33%	64,000	19.75%
18,001 to 20,000	-	-	4	33.33%	64,000	19.75%
20,001 to 25,000	3	67,500	7	58.33%	131,500	40.59%
25,001 to 30,000	2	55,000	9	75.00%	186,500	57.56%
30,001 to 35,000	-	-	9	75.00%	186,500	57.56%
35,001 to 40,000	1	37,500	10	83.33%	224,000	69.14%
40,001 to 50,000	1	45,000	11	91.67%	269,000	83.02%
50,001 to 60,000	1	55,000	12	100.00%	324,000	100.00%
60,001 to 70,000	-	-	12	100.00%	324,000	100.00%
70,001 to 80,000	-	-	12	100.00%	324,000	100.00%
80,001 to 90,000	-	-	12	100.00%	324,000	100.00%
90,001 to 99,999	-	-	12	100.00%	324,000	100.00%
>= 100,000	-	-	12	100.00%	324,000	100.00%
12		324,000				

Average Number of Customers 1  
Average Consumption 27,000  
Median Consumption 22,390

Supporting Schedules:

Recap Schedules:

Antelope Run Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 3 of 5

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

**1 inch meter - Residential**

Note: All customers on 1 inch meters are residential

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	1	500	1	2.08%	500	0.03%
1,001 to 2,000	-	-	1	2.08%	500	0.03%
2,001 to 3,000	1	2,500	2	4.17%	3,000	0.16%
3,001 to 4,000	4	14,000	6	12.50%	17,000	0.92%
4,001 to 5,000	5	22,500	11	22.92%	39,500	2.14%
5,001 to 6,000	1	5,500	12	25.00%	45,000	2.44%
6,001 to 7,000	2	13,000	14	29.17%	58,000	3.14%
7,001 to 8,000	4	30,000	18	37.50%	88,000	4.77%
8,001 to 9,000	-	-	18	37.50%	88,000	4.77%
9,001 to 10,000	-	-	18	37.50%	88,000	4.77%
10,001 to 12,000	-	-	18	37.50%	88,000	4.77%
12,001 to 14,000	-	-	18	37.50%	88,000	4.77%
14,001 to 16,000	3	45,000	21	43.75%	133,000	7.21%
16,001 to 18,000	3	51,000	24	50.00%	184,000	9.97%
18,001 to 20,000	1	19,000	25	52.08%	203,000	11.00%
20,001 to 25,000	1	22,500	26	54.17%	225,500	12.22%
25,001 to 30,000	2	55,000	28	58.33%	280,500	15.20%
30,001 to 35,000	2	65,000	30	62.50%	345,500	18.72%
35,001 to 40,000	-	-	30	62.50%	345,500	18.72%
40,001 to 50,000	1	45,000	31	64.58%	390,500	21.16%
50,001 to 60,000	1	55,000	32	66.67%	445,500	24.14%
60,001 to 70,000	5	325,000	37	77.08%	770,500	41.75%
70,001 to 80,000	3	225,000	40	83.33%	995,500	53.94%
80,001 to 90,000	1	85,000	41	85.42%	1,080,500	58.54%
90,001 to 99,999	2	190,000	43	89.58%	1,270,500	68.84%
101,150	1	101,150	44	91.67%	1,371,650	74.32%
103,110	1	103,110	45	93.75%	1,474,760	79.90%
108,130	1	108,130	46	95.83%	1,582,890	85.76%
119,030	1	119,030	47	97.92%	1,701,920	92.21%
143,750	1	143,750	48	100.00%	1,845,670	100.00%
	48	1,845,670				

Average Number of Customers 4.00  
Average Consumption 38,451  
Median Consumption 18,535

Supporting Schedules:

Recap Schedules:

Antelope Run Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 4 of 5

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

**2 inch meter - Residential**

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	-	-	-	0.00%	-	0.00%
1,001 to 2,000	-	-	-	0.00%	-	0.00%
2,001 to 3,000	-	-	-	0.00%	-	0.00%
3,001 to 4,000	-	-	-	0.00%	-	0.00%
4,001 to 5,000	-	-	-	0.00%	-	0.00%
5,001 to 6,000	-	-	-	0.00%	-	0.00%
6,001 to 7,000	-	-	-	0.00%	-	0.00%
7,001 to 8,000	-	-	-	0.00%	-	0.00%
8,001 to 9,000	-	-	-	0.00%	-	0.00%
9,001 to 10,000	1	9,500	1	8.33%	9,500	2.81%
10,001 to 12,000	2	22,000	3	25.00%	31,500	9.30%
12,001 to 14,000	3	39,000	6	50.00%	70,500	20.82%
14,001 to 16,000	1	15,000	7	58.33%	85,500	25.25%
16,001 to 18,000	-	-	7	58.33%	85,500	25.25%
18,001 to 20,000	1	19,000	8	66.67%	104,500	30.86%
20,001 to 25,000	-	-	8	66.67%	104,500	30.86%
25,001 to 30,000	1	27,500	9	75.00%	132,000	38.98%
30,001 to 35,000	-	-	9	75.00%	132,000	38.98%
35,001 to 40,000	1	37,500	10	83.33%	169,500	50.06%
40,001 to 50,000	1	45,000	11	91.67%	214,500	63.35%
50,001 to 60,000	-	-	11	91.67%	214,500	63.35%
60,001 to 70,000	-	-	11	91.67%	214,500	63.35%
70,001 to 80,000	-	-	11	91.67%	214,500	63.35%
80,001 to 90,000	-	-	11	91.67%	214,500	63.35%
90,001 to 99,999	-	-	11	91.67%	214,500	63.35%
124,100	1	124,100	12	100.00%	338,600	100.00%
	12	338,600				

Average Number of Customers 1.00  
Average Consumption 28,217  
Median Consumption 13,950

Supporting Schedules:

Recap Schedules:

**Antelope Run Water Company**

Test Year Ended June 30, 2009

Schedule: H-5

Title: Bill Count

Page 5 of 5

**Explanation:**

Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities

☒

Class A

☐

Class B

☐

Class C

☐

Class D

☐

Spec'l Reqmt

☐**Emergency Surcharge**

Amount of Surcharge \$5.58 per customer per month

Surcharge Approved in Decision 71323, October 30, 2009

	# of Bills Nov and Dec 2009	Surcharge	Surcahrge Revenue
Residential	334	\$5.58	\$1,864
Commercial	2	\$5.58	\$11
<b>Total</b>			<b>\$1,875</b>

# **EXHIBIT 3**

COMPANY NAME: Antelope Run Water Company

Name of System:

ADEQ Public Water System Number: 02-094

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	164	1402	1421	0
FEBRUARY	164	1408	1430	0
MARCH	164	1642	1650	0
APRIL	164	2226	2244	0
MAY	164	3622	3722	0
JUNE	167	3103	3186	0
JULY	168	2644	2744	0
AUGUST	168	2743	2780	0
SEPTEMBER	168	2726	2820	0
OCTOBER	168	1428	1533	0
NOVEMBER	168	1593	1623	0
DECEMBER	168	944	1473	0
TOTALS →		<u>25481</u>	26626	0

What is the level of arsenic for each well on your system? <0.001 mg/l

(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for \_\_\_\_ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

( X ) Yes                      ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes                      ( X ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes                      ( X ) No

If yes, provide the GPCPD amount: \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*                      See Accountant's Compilation Report



# **EXHIBIT 4**

Company Name: Antelope Run Water Company

Test Year Ended: 31-Dec-09

**WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-632904 Well 3	20	180	140	10	3	1979
55-208555 Well 5	20	200	330	8	3	2005
55-632906 Well 1	Capped due to high nitrate levels					

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

**BOOSTER PUMPS**

Horsepower	Quantity
5.0	2

**FIRE HYDRANTS**

Quantity Standard	Quantity Other

**STORAGE TANKS**

Capacity	Quantity
10,000 gal	1

**PRESSURE TANKS**

Capacity	Quantity
5,000 gal	1
1,000 gal	1

Company Name: Antelope Run Water Company

Test Year Ended: 31-Dec-09

### WATER COMPANY PLANT DESCRIPTION CONTINUED

#### MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	1,000
3		
4	PVC	13,500
5		
6	PVC	15,500
8	PVC	100
10		
12		

#### CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	163
3/4	
1	4
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, please list the utility owned assets in each category.

#### TREATMENT EQUIPMENT:

2 chlorinators

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#### STRUCTURES:

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#### OTHER:

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# **EXHIBIT 5**

**Arizona Department of Environmental Quality**  
Drinking Water Monitoring and Protection Unit  
Mail Code 5415B-2  
1110 West Washington Street  
Phoenix, AZ 85007

### Drinking Water Compliance Status Report

<b>System Name</b> ANTELOPE RUN	<b>System Type</b> <input checked="" type="checkbox"/> Community <input type="checkbox"/> Non-transient Non-community <input type="checkbox"/> Transient Non-community	<b>Is system consecutive?</b> <input type="checkbox"/> Yes, to PWS # <input checked="" type="checkbox"/> No
<b>System ID #</b> 02094		

<b>Overall compliance status</b>	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
<b>Monitoring and Reporting status</b>	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
Comments: None		

<b>Operation and Maintenance status</b>	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
<b>Date of last Sanitary Survey</b>	3-24-09	<b>Inspector</b> John Eyre, SRO
Major unresolved/ongoing operation and maintenance deficiencies:		
<input type="checkbox"/> unable to maintain 20psi <input type="checkbox"/> cross connection/backflow problems <input type="checkbox"/> treatment deficiencies <input type="checkbox"/> certified operator <input type="checkbox"/> inadequate storage <input type="checkbox"/> surface water treatment rule <input type="checkbox"/> ATC/AOC <input type="checkbox"/> other =		
Comments: None		

<b>Is an ADEQ administrative order in effect?</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Comments: None		

System Information	
Population Served	400
Service Connections	160
Number of Entry Points to the Distribution System	1
Number of Sources	2
Initial Monitoring Year	1993
Monitoring Assistance Program (MAP) System	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>Evaluation completed by</b>	Donna Calderon, Manager <i>SC</i> Drinking Water Monitoring and Protection Unit		
<b>Phone</b>	602-771-4641	<b>Date</b>	June 12, 2009
<input checked="" type="checkbox"/>	Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and PWS is in compliance.		
<input type="checkbox"/>	Based upon the monitoring and reporting deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and/or PWS is not in compliance.		
<input type="checkbox"/>	Based upon the operation and maintenance deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and/or PWS is not in compliance.		

***This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.***

# **EXHIBIT 6**



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE

\* Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the invoice listed, please contact ADEQ as soon as possible. To reduce interest costs on any unpaid invoice, you may remit an amount that you believe is not in dispute. However, if a dispute arises as to which amount you may settle an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the invoice is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-764 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10118	Invoice Number 66309
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02094
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due \$ 684.33
	Amount Paid \$

1 Keep the top portion for your records. 1

ADEQ Federal Tax #866904791

↓ This entire bottom portion must be returned to ADEQ. ↓

Annual Sampling Fee Invoice

ADEQ Federal Tax #866904791

Invoice # 66309

WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Owner Id #: 10118 MAP
	Billing for Calendar Year: 2010
	Due Date: 12/11/2009

02094 - Watkins, Bob

ANNUAL SAMPLING FEE WORKSHEET

ENTER  
NOV - 3 2009

Base Fee (all MAP systems) \$ 250.00  
Fee per Connection in 2010 169 connections x \$ 2.57 \$ 434.33  
Total Sampling Fee \$ 684.33  
Plus Paid Interest Charges and/or Other Adjustments \$ 0.00  
Plus Unpaid Interest Charges as of 10/27/2009 \$ 0.00  
Minus Payments Received and/or Other Adjustments \$ 0.00  
Amount Due \$ 684.33  
Amount received by ADEQ (Make check payable to State of Arizona) \$

\* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005

Check Number
Received
Postmarked
Entered

10/27/2009  
WATKINS

# **EXHIBIT 7**



Antelope Run - Monitoring Cycle/Costs per Test

Contaminant	Monitoring Cycle	# of tests per cycle	Cost per Test
Total Coliform	Monthly	1	\$ 25.00
TTHM	Yearly	2	110.00
HAA5	Yearly	2	155.00
Copper & Lead	Tri-Annually	5	33.00

# **EXHIBIT 8**

Turner Laboratories, Inc.

DATE: 10-Nov-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Antelope Run Water Company  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613

Work Order: 0811239

PO Number:

Order Name

Date Received 11/5/2008

Invoice Number: 811239

Payment Due Date: 10-Dec-08

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

### Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 15-Dec-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Antelope Run Water Company

P.O. Box 85160

Attn: Tucson, AZ 85754  
Keith Dojaquez

Phone: (520) 437-4613

Work Order: 0812434

PO Number:

Order Name

Date Received 12/10/2008

Invoice Number: 812434

Payment Due Date: 14-Jan-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 12-Jan-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Antelope Run Water Company  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613  
Work Order: 0901267  
PO Number:  
Order Name  
Date Received 1/8/2009

Invoice Number: 901267

Payment Due Date: 11-Feb-09  
Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%  
Surcharge: 0.00%  
Misc Charges: \$0.00

Misc Comments

Subtotal: \$25.00  
Payment Received: \$0.00  
**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 24-Feb-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO: Antelope Run Water Company  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613

Work Order: 0902620

PO Number:

Order Name

Date Received 2/19/2009

Invoice Number: 902620

Payment Due Date: 26-Mar-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 03/18/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
PO Box 85160  
Tucson, ARIZONA 85754

Attn: Elaine Byfield

Phone: (520) 623-5172  
Work Order: 09C0333  
PO Number:  
Received: 03/09/2009

Invoice Number: 09C0333

Payment Due Date: 04/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 04/09/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

**Invoice Number: 09D0239**

Phone: (520) 623-5172  
Work Order: 09D0239  
PO Number:  
Received: 04/06/2009

Payment Due Date: 05/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

**Invoice Total: \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



**Turner Laboratories, Inc.**

Invoice Date: 05/13/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09E0177

Phone: (520) 623-5172  
Work Order: 09E0177  
PO Number:  
Received: 05/05/2009

Payment Due Date: 06/12/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 07/16/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09G0312

Phone: (520) 623-5172  
Work Order: 09G0312  
PO Number:  
Received: 07/07/2009

Payment Due Date: 08/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: **\$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 08/12/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-094

**Invoice Number: 09H0279**

Phone: (520) 623-5172  
Work Order: 09H0279  
PO Number:  
Received: 08/05/2009

Payment Due Date: 09/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

**Invoice Total: \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 08/27/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-094

Invoice Number: 09H0627

Phone: (520) 623-5172  
Work Order: 09H0627  
PO Number:  
Received: 08/18/2009

Payment Due Date: 09/28/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Cu/Pb Testing [10 day]	Drinking Water	1	\$33.00	\$33.00

Invoice Total: \$33.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 09/11/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-094

Invoice Number: 09H0567

Phone: (520) 623-5172  
Work Order: 09H0567  
PO Number:  
Received: 08/14/2009

Payment Due Date: 10/12/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Cu/Pb Testing [10 day]	Drinking Water	9	\$33.00	\$297.00

Invoice Total: \$297.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 11/11/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Accounts Payable  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-094

Invoice Number: 09K0265

Phone: (520) 623-5172  
Work Order: 09K0265  
PO Number:  
Received: 11/04/2009

Payment Due Date: 12/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

**Invoice Total: \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 12/08/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Accounts Payable  
PO Box 85160  
Tucson, AZ 85754

**Project Name:** Drinking Water 02-094**Invoice Number:** 09L0180**Payment Due Date:** 01/07/2010

**Phone:** (520) 623-5172  
**Work Order:** 09L0180  
**PO Number:**  
**Received:** 12/02/2009

**Payment Terms:** Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

**Invoice Total: \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE



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If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10118	Invoice Number 66309
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02094
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due \$ 684.33
	Amount Paid \$

† Keep the top portion for your records. †

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 66309

WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	02094 - Watkins, Bob	Owner Id #: 10118 Billing for Calendar Year: 2010 Due Date: 12/11/2009	MAP
---	----------------------	--	-----

ANNUAL SAMPLING FEE WORKSHEET ARW

NOV 3 2009

ENTER

NOV - 3 2009

BY:

Base Fee (all MAP systems)	\$ 250.00
Fee per Connection in 2010	169 connections X \$ 2.57
Total Sampling Fee	\$ 684.33
Plus Paid Interest Charges and/or Other Adjustments	\$ 0.00
Plus Unpaid Interest Charges as of 10/27/2009	\$ 0.00
Minus Payments Received and/or Other Adjustments	\$ 0.00
Amount Due	\$ 684.33
Amount received by ADEQ (Make check payable to State of Arizona)	\$



A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005

Check Number:

Received:

Postmarked:

Entered:

USE 10/27/2009  
WMS/SLK



ORIGINAL

Steve Wene, State Bar No. 019630  
MOYES SELLERS & SIMS LTD.  
1850 N. Central Ave., Suite 1100  
Phoenix, Arizona 85004  
Telephone: 602-604-2141  
[swene@lawms.com](mailto:swene@lawms.com)

RECEIVED

2010 AUG 27 P 1:15

AZ CORP COMMISSION  
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

**COMMISSIONERS**

KRISTIN K. MAYES, CHAIRMAN  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

Arizona Corporation Commission

DOCKETED

AUG 27 2010

DOCKETED BY

*[Signature]*

EXHIBIT

A-3

ADMITTED

INDIADA WATER COMPANY'S  
APPLICATION FOR AN PERMANENT  
INCREASE IN ITS WATER RATES

02031A

Docket No. W-02327A-10-0168

AMENDED RATE APPLICATION

The Indiada Water Company ("Company" or "Indiada"), hereby submit this amended rate application for an increase in water rates. This application is being amended at the request of the Arizona Corporation Commission Staff ("Staff"). This application for proposed rates has been assembled for comparative purposes per Staff's request, and even though provides stand alone financial analysis for Indiada, it is the desire of the ownership that the Company be consolidated with East Slope Water Company and Antelope Water Company into one entity. This new entity would be structured as a Class C water company.

1 **SUPPORTING DOCUMENTATION**

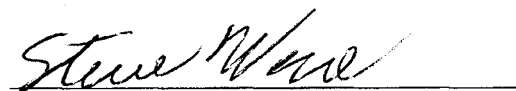
2 Pursuant to A.A.R. Rule 14-2-103, the Company submits the following  
3  
4 documentation in support of the proposed increase in rates and charges:

- 5 • Direct Testimony of Sonn S. Rowell (see Exhibit 1);
- 6 • Required Schedules, Statements, and Documentation (see Exhibit 2);
- 7 • Water Use Data Sheets (see Exhibit 3 (previously provided));
- 8 • Plant Descriptions (see Exhibit 4 (previously provided));
- 9 • ADEQ Compliance Status Report (see Exhibit 5 (includes documentation  
10 previously provided and additional documentation demonstrating compliance));
- 11 • Monitoring Assistance Program Sampling Fee Invoice (see Exhibit 6 (previously  
12 provided));
- 13 • Water Quality Testing Information (see Exhibit 7); and
- 14 • Water Quality Testing Invoices (see Exhibit 8).

15  
16  
17 As previously discussed with Staff's legal counsel, the public notice for this application  
18 will be provided by the Company pursuant to hearing officer order once the hearing is  
19 set.  
20

21 RESPECTFULLY SUBMITTED this 27<sup>th</sup> day of August, 2010.

22  
23 **MOYES SELLERS & SIMS**

24  
25   
26 Steve Wene  
27 Attorneys for Company  
28

1 Original and 15 copies of the foregoing  
2 filed this 27<sup>th</sup> day of August, 2010, with:

3 Docket Control  
4 Arizona Corporation Commission  
5 1200 West Washington  
6 Phoenix, Arizona 85007

7 Donnelly Herbert  
8  
9  
10  
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# **EXHIBIT 1**

1                                   **BEFORE THE ARIZONA CORPORATION COMMISSION**

2  
3  
4   **COMMISSIONERS**

5   KRISTIN K. MAYES, CHAIRMAN

6   GARY PIERCE

7   PAUL NEWMAN

8   SANDRA D. KENNEDY

9   BOB STUMP

10  
11   **APPLICATION OF INDIADA WATER**  
12   **COMPANY, INC. FOR A PERMANENT**  
13   **INCREASE IN ITS WATER RATES**

**DIRECT TESTIMONY OF**  
**SONN S. ROWELL**

14  
15   **Q-1   Please state your name and current employment position:**

16   **A-1   My name is Sonn S. Rowell, and I am a Certified Public Accountant and a**  
17   managing member of Desert Mountain Analytical Services, PLLC ("DMAS").

18  
19   **Q-2   Describe your educational and professional background:**

20   **A-2   I hold a Bachelor of Science Degree in Accounting from Arizona State University,**  
21   as well as my CPA certification from the Arizona State Board of Accountancy. I have  
22   worked for many years in the practice of public accounting and regulatory consulting,  
23   and have held part-time accountancy teaching positions at Mesa Community College.  
24   After employment with the Accounting and Rates Section of the Utilities Division at the  
25   Arizona Corporation Commission for four years, I started DMAS and now specialize in  
26   regulatory accounting and consulting.  
27  
28

1 **Q-3 By whom are you employed and in what capacity?**

2 **A-3** I have been retained by the owners of Indiada Water Company, Inc, ("Indiada" or  
3 "Company") and the management company, Southwestern Utility Management, Inc.  
4 ("SUM") to prepare rate and finance applications for submittal to the Arizona  
5 Corporation Commission.  
6

7 **Q-4 What is the purpose of your testimony?**

8 **A-4** The purpose of my testimony is to present my analysis and recommendations  
9 concerning the development of the Company gross revenue requirement, taking into  
10 account adjusted rate base, adjusted operating income, working capital requirements,  
11 current rate of return, required operating income, required rate of return for the historic  
12 twelve month period, and other relevant factors to sponsor certain exhibits in support of  
13 the rate and finance applications.  
14  
15  
16

17 **Q-5 Please summarize the Company proposal.**

18 **A-5** Indiada is seeking an increase in gross revenue of approximately \$29,922, or a rate  
19 increase of approximately 106.82%, for its customers to pay for increased operational  
20 expenses and needed improvements that will be funded with the proposed loan from the  
21 Water Infrastructure Finance Authority ("WIFA").  
22

23 **Q-6 What is the basis for your recommendation?**

24 **A-6** I analyzed the Companies records to determine the adjusted revenues and  
25 expenses during the test year ending December 31, 2009. Next, I calculated a reasonable  
26 revenue requirement in order to ensure the Companies can earn sufficient revenue to pay  
27 ongoing operating expenses, the debt service on the proposed WIFA loan, and provide  
28

1 adequate and reliable water service to its customers. Based upon my analysis, I have  
2 prepared the schedules in accordance with A.A.C. Rule 14-2-103 that are set forth in  
3 Application Exhibit 2, which I adopt as part of my testimony.  
4

5 **Q-7 Please identify and explain the adjustments made on Schedule C-1 – Adjusted**  
6 **Test Year Income Statement of this application.**  
7

8 **A-7** Adjustment A was made to reduce surcharge revenue by \$869 to eliminate the  
9 revenue generated by the emergency surcharge, which will be discontinued at the  
10 inception of new rates.  
11

12 **Q-8 Does the next adjustment involve intercompany purchased water?**

13 **A-8** Yes. Adjustment B removes \$1,700 of purchased water expense incurred by  
14 Indiada when it purchased water from Antelope Run Water Company ("Antelope"). This  
15 would be considered a non-recurring expense due to the proposed consolidation of the  
16 Companies, and the revenue requirement should not include this amount.  
17

18 **Q-9 Please explain Adjustments C, D, and E.**

19 **A-9** Adjustment C, as reflected on Schedule C-2a removes office related expenses that  
20 appeared on the general ledger prior to the test year, and added expenses incurred during  
21 the test year but were recorded in the general ledger subsequent to it.  
22

23 Schedule C-2b depicts Adjustment D to Outside Services. Part of this adjustment  
24 normalizes accounting expenses for the test year, but the major portion of Adjustment D  
25 removes management fees recorded in the general ledger and replaces them per the  
26 calculation at the bottom of Schedule C-2b. Due to the dire financial situation of this  
27 company, SUM has been charging a reduced rate for its services. However, this is a  
28

1 temporary arrangement, and the correct amount must be included in the proposed revenue  
2 requirement.

3  
4 Adjustment E is calculated on Schedule C-2c, and is similar in purpose to Adjustment C.

5 **Q-10 Please explain your adjustments to the income statement.**

6 **A-10** Adjustment F removes a small amount of expense related to workers  
7 compensation insurance the utility carried when it had employees. Due to the  
8 management contract with SUM now in place, this amount will not recur.  
9

10 **Q-11 How did you determine the amount of proposed rate case expense?**

11 **A-11** My estimate for Adjustment G is detailed in the following table. The current test  
12 year amount includes amounts paid for the 2009 emergency rate case.  
13

14 Test Year Expense	\$1,439
15 Estimated Rate Case Expense	\$4,000
16 Subtotal	\$5,439
17 Recovery period	3
18 Annual recovery amount	\$1,813
19 Adjustment amount	\$ 374

20 **Q-12 Please explain how you calculated Adjustment H to depreciation expense.**

21 **A-12** Schedule C-2d begins with plant in service at the end of the test year, and applies  
22 depreciation rates normally recommended by Staff, resulting in proposed depreciation  
23 expense of \$7,057, or an increase of \$1,981 over test year actual expense of \$5,076.  
24

25 **Q-13 Please explain Adjustments I and J on Schedule C-1.**

26 **A-13** Adjustment I adjusts payroll taxes (Account 408) by \$958 to remove negative  
27 expense related to payroll tax refunds. Like Adjustment F, since a management contract  
28 with SUM now in place, this amount will not recur.



1 Adjustment J removes a small amount of property tax that is outside the current test year.

2 **Q-14 Please explain the increase to interest expense of \$11,820 as reflected by**  
3  
4 **Adjustment K.**

5 **A-14** The \$11,820 of interest expense represents the prorata share of the proposed  
6 \$3,000,000 consolidated WIFA loan to improve all three commonly owned systems. The  
7  
8 Indiada share of the WIFA loan is estimated as \$239,651, amortized at 5% over a 20-year  
9 period.

10 **Q-15 Please explain how Adjustment L was determined.**

11 **A-15** Adjustment L increased metered water revenue from the adjusted test year amount  
12 of \$28,013, by \$29,922 to \$57,935 for Indiada, per the calculation set forth on Schedule  
13  
14 A-1.

15 **Q-16 Please summarize your rate design for Indiada.**

16  
17 **A-16** Indiada currently has customers on only two meter sizes: 5/8 by 3/4 inch and 1 inch.  
18 All of the customers are residential. The proposed rates for Indiada were designed to  
19  
20 recover the metered water revenue requirement of \$57,935. The monthly minimums  
21 were set using the standard meter size multipliers such that minimum charge for the 1  
22 inch meters is 2.5 times that of the 5/8 by 3/4 inch meters.

23  
24  
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28  
Commodity rates for the 5/8 by 3/4 inch meters have three tiers. The second tier  
commodity rate equals 1.8 times the first tier rate and the third tier rate equals 1.8 times  
the second tier rate. The tier breaks are set at 3,000 and 10,000 gallons.

Commodity rates for the 1 inch meters have two tiers and equal the first two tier  
rates for the 5/8 by 3/4 inch meters. The tier break is set at 6,000 gallons. The usage on

1 the 1 inch meters is quite low and thus a higher tier break would not have any immediate  
2 conservation benefit. The following table shows the effect of the proposed rates on 5/8  
3 by 3/4 inch residential customers with median consumption.  
4

5

Median Gallons	Current Bill (Including Surcharge)	Bill Under Proposed Rates	Percent Increase
5,260	\$37.74	\$61.81	63.79%

6  
7  
8

9 **Q-17 Is there anything else you would like to add?**

10 **A-17** Yes. A complete application including proposed rates has been assembled for  
11 Indiada for comparative purposes per Staff's request. Although this application provided  
12 stand alone financial analysis for Indiada, it is the desire of the ownership that Indiada be  
13 consolidated with Antelope and East Slope Water Company, Inc. into one entity. This  
14 new entity would be structured as a C-Corp, unlike Indiada as a stand alone entity, and  
15 includes a gross up for income tax recovery.  
16  
17

18 **Q-18 Does this conclude your testimony?**

19 **A-18** Yes.  
20  
21  
22  
23  
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## **EXHIBIT 2**

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

Schedule A-1  
Title: Computation of Increase in Gross  
Revenue Requirements

Explanation:  
Schedule showing computation of increase in  
gross revenue requirements and spread of revenue  
increase by customer classification.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Special Reqmt	<input type="checkbox"/>

	Original Cost		RCND
1. Adjusted Rate Base	\$ 45,684 (a)		(a)
2. Adjusted Operating Income	\$ (6,197) (b)		(b)
3. Current Rate of Return	-13.57%		
4. Required Operating Income	\$ 5,482		
5. Required Rate of Return	12.00%		
6. Operating Income Deficiency (4 - 2)	\$ 11,679		
7. Gross Revenue Conversion Factor	1.0000 (c)		(c)
8. Increase in Gross Revenue Requirements (6 x 7)	<u>\$ 11,679</u>		
9. Proposed Revenue	\$ 58,062		
10. Required Operating Margin	40.86%		
11. Required Operating Income (9 x 10)	<u>\$ 23,725</u>		
12. Operating Income Deficiency (11 - 2)	\$ 29,922		
13. Gross Revenue Conversion Factor	1.000		
14. Increase in Gross Revenue Requirements (12 x 13)	<u>\$ 29,922</u>		

Customer Classification	Adjusted Revenue at Present Rates	Revenue at Proposed Rates	Dollar Increase	Percent Increase	
Residential	\$ 28,013	\$ 57,935	\$ 29,922	106.82%	(d)
Commercial					
Industrial					
Other	127	127	-	0.00%	
<b>Total</b>	<u>\$ 28,140</u>	<u>\$ 58,062</u>	<u>\$ 29,922</u>	<u>106.82%</u>	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

- (a) B-1 (c) C-3
- (b) C-1 (d) H-1

**Indiada Water Company, Inc.**  
Test Year Ended December 31, 2009

**Schedule A-2**  
**Title: Summary Results of Operations**

Explanation:

Schedule showing comparative operating results for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Speci Reqmt	<input type="checkbox"/>

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-07	31-Dec-08	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 27,440	\$ 25,085	\$ 29,009	\$ 28,140	\$ 28,140	\$ 58,062
2. Revenue Deductions & Operating Expenses	(29,597)	(31,084)	(28,702)	(34,337)	(34,337)	(34,337)
3. Operating Income	\$ (2,157)	\$ (5,999)	\$ 307	\$ (6,197)	\$ (6,197)	\$ 23,725
4. Other Income and Deductions	3,750	4,515	-	-	-	-
5. Interest Expense	(1,045)	(700)	-	(11,820)	(11,820)	(11,820)
6. Net Income	\$ 548	\$ (2,184)	\$ 307	\$ (18,017)	\$ (18,017)	\$ 11,905
7. Earned Per Average Common Share*	\$ 1.33	\$ (5.29)	\$ 0.74	\$ (43.62)		
8. Dividends Per Common Share*	-	-	-	-		
9. Payout Ratio*	0.00%	0.00%	0.00%	0.00%		
10. Return on Average Invested Capital	5.07%	-10.05%	0.79%	-46.58%	-46.58%	30.78%
11. Return on Year End Capital	5.07%	-6.69%	0.69%	-40.28%	-40.28%	26.62%
12. Return on Average Common Equity	5.07%	-10.05%	0.79%	-46.58%	-46.58%	30.78%
13. Return on Year End Common Equity	5.07%	-6.69%	0.69%	-40.28%	-40.28%	26.62%
14. Times Bond Interest Earned - Before Inc Tax	-152.44%	212.00%		Not Meaningful		
15. Times Total Interest and Preferred Dividends Earned - After Income Taxes	47.56%	412.00%		Not Meaningful		

Supporting Schedules:

- (a) E-2
- (b) C-1
- (c) F-1

\*Optional for projected year

**Indiada Water Company, Inc.**  
Test Year Ended December 31, 2009

**Schedule A-4**  
**Title: Construction Expenditures and**  
**Gross Utility Plant in Service**

Explanation:  
Schedule showing construction expenditures, plant placed  
in service and gross utility plant in service for the test year  
and the 2 fiscal years ended prior to the end of the test year,  
compared with the projected year.

Required for: All Utilities	<input checked="checked" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Year	Construction Expenditures (a)	Net Plant Placed In Service (b)	Gross Utility Plant In Service
1. Prior Year 1 - 2007	\$ 2,323	\$ 2,323	\$ 67,086
2. Prior Year 2 - 2008	25,521	25,521	92,607
3. Test Year - 2009	3,364	3,364	95,971
4. Projected Year 1	239,651	239,651	335,622
5. Projected *			
6. Projected *			

\* Required only for Class A and B Utilities

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) F-3

(b) E-5

**Indiada Water Company, Inc.**  
Test Year Ended December 31, 2009

**Schedule B-1**  
**Title: Summary of Original Cost**  
**and RCND**

Explanation:  
Schedule showing elements of adjusted original cost  
and RCND rate bases.

Required for: All Utilities	<input checked="checked" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

	Original Cost Rate Base*	RCND Rate Base*
1. Gross Utility Plant in Service	\$ 95,971	
2. Less: Accumulated Depreciation	(53,371)	
3. Net Utility Plant in Service	\$ 42,600 (a)	(b)
<b>Less:</b>		
4. Advances in Aid of Construction	- (c)	(c)
5. Contributions in Aid of Construction	- (c)	(c)
<b>Add:</b>		
6. Allowance for Working Capital	3,083 (d)	(d)
<b>7. Total Rate Base</b>	<u>\$ 45,684 (e)</u>	(e)

\* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

- (a) B-2 (d) B-5
- (b) B-3
- (c) E-1

Recap Schedules:

- (e) A-1

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

Schedule B-2  
Title: Original Cost Rate Base  
Proforma Adjustments

Explanation:  
Schedule showing pro forma adjustments to gross plant  
in service and accumulated depreciation for the original  
cost rate base.

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

	Actual at End Of Test Year (a)	Pro forma Adjustment	Adjusted at End Of Test Year (b)
1. Gross Utility Plant in Service	\$ 95,971		\$ 95,971
2. Less: Accumulated Depreciation	(53,371)		(53,371)
3. Net Utility Plant in Service	\$ 42,600	\$ -	\$ 42,600

*All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.*

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-1



**Indiada Water Company, Inc.**

Test Year Ended December 31, 2009

**Schedule B-5****Title: Computation of Working  
Capital****Explanation:**

Schedule showing computation of working capital allowance.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

	<u>Amount</u>	
1. Cash working capital		
1/24th Purchased Power	\$ 76	
1/24th Purchased Water	-	
1/8th Operation & Maintenance Expense	3,008	
2. Materials and Supplies Inventories	-	(a)
3. Prepayments	-	(a)
4. Total Working Capital Allowance	<u>\$ 3,083</u>	(b)

**NOTES:**

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:

(a) E-1

Recap Schedules:

(b) B-1

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

**Schedule C-1**  
**Title: Adjusted Test Year Income Statement**

Explanation:  
Schedule showing statement of income for the test year,  
including pro forma adjustments.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Regmt ☐

Description	Actual for Test Year Ended (a) 31-Dec-09	Ref	Proforma Adjustments (b)	Test Year Results After Pro Forma Adjustments	Ref	Proposed Rate Increase	Adjusted Test Year With Rate Increase
<b>Operating Revenues:</b>							
461 Metered Water Revenue	\$ 28,013			\$ 28,013	L	\$ 29,922	\$ 57,935
461.1 Surcharge Revenue	869	A	(869)	-			-
474 Other Water Revenue	127			127			127
<b>Total Operating Revenue</b>	<b>\$ 29,009</b>		<b>\$ (869)</b>	<b>\$ 28,140</b>		<b>\$ 29,922</b>	<b>\$ 58,062</b>
<b>Operating Expenses:</b>							
601 Salaries & Wages	\$ -			\$ -			\$ -
610 Purchased Water	1,700	B	(1,700)	-			-
615 Purchased Power	1,818			1,818			1,818
618 Chemicals	166			166			166
620 Repairs & Maintenance	910			910			910
621 Office Supplies and Expense	1,336	C	48	1,384			1,384
630 Outside Services	9,937	D	4,164	14,101			14,101
635 Water Testing	2,129			2,129			2,129
641 Rental Expense	-			-			-
650 Transportation Expense	3,688	E	(131)	3,557			3,557
657 Insurance - General Liability	49	F	(49)	-			-
659 Insurance - Health and Life	-			-			-
666 Rate Case Expense	1,439	G	374	1,813			1,813
675 Miscellaneous Expense	-			-			-
403 Depreciation & Amortization	5,076	H	1,981	7,057			7,057
408 Taxes Other Than Income	(958)	I	958	-			-
408.11 Property Taxes	1,412	J	(10)	1,402			1,402
409 Income Taxes	-			-			-
<b>Total Operating Expenses</b>	<b>\$ 28,702</b>		<b>\$ 5,635</b>	<b>\$ 34,337</b>		<b>\$ -</b>	<b>\$ 34,337</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 307</b>		<b>\$ (6,504)</b>	<b>\$ (6,197)</b>	(c)	<b>\$ 29,922</b>	<b>\$ 23,725</b>
<b>Other Income/(Expense):</b>							
419 Interest Income	\$ -			\$ -			\$ -
421 Non-Utility Income	-			-			-
426 Miscellaneous Non-Utility Expenses	-			-			-
427 Interest Expense	-	K	(11,820)	(11,820)			(11,820)
<b>Total Other Income/(Expense)</b>	<b>\$ -</b>		<b>\$ (11,820)</b>	<b>\$ (11,820)</b>		<b>\$ -</b>	<b>\$ (11,820)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ 307</b>		<b>\$ (18,324)</b>	<b>\$ (18,017)</b>		<b>\$ 29,922</b>	<b>\$ 11,906</b>

Note: For combination utilities, above information should be presented in total and by department.  
Actual Test Year amounts are transferred from Schedule C-1a.

Supporting Schedules:  
(a) E-2  
(b) C-2

Recap Schedules:  
(c) A-1

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

Schedule C-2  
Title: Income Statement Proforma  
Adjustments

All Utilities	X
Class A	
Class B	
Class C	
Class D	
Spec Reqmt	

Explanation:  
Schedule itemizing pro forma adjustments to the test year income statement.

Description	A	B	C	D	E	F	G	H	I	J	K	L	Total (a) Adjustments
Revenues:													
Metered Water Revenue											\$ 29,922		\$ 29,922
Surcharge Revenue	\$ (869)												(869)
Expenses:													
Purchased Water		\$ (1,700)											\$ (1,700)
Office Supplies and Expense			\$ 48										48
Outside Services				\$ 4,164									4,164
Transportation Expense					\$ (131)								(131)
Insurance - General Liability					\$ (49)								(49)
Rate Case Expense							\$ 374						374
Depreciation & Amortization								\$ 1,981					1,981
Taxes Other Than Income								\$ 958					958
Property Taxes									\$ (10)				(10)
Other Income/(Expense):													
Interest Expense											\$ (11,820)		\$ (11,820)

Adjustment Descriptions:

- A - Remove surcharge revenue from the test year as it is temporary, and will not be included in proposed rates.
- B - Remove intercompany purchased water from Antelope Run.
- C - Adjust office supplies and expense per calculation on Schedule C-2a.
- D - Adjust outside services expense per calculation on Schedule C-2b.
- E - Adjust transportation expense per calculation on Schedule C-2c.
- F - Remove workers compensation insurance expense that will non-recur as a result of management contract.
- G - Increase rate case expense to recover \$1,439 incurred for the emergency rate case, and estimated costs of \$4,000 for this rate case, amortized over 3 years, (\$5,439/3).
- H - Increase depreciation expense based upon proposed depreciation rates per schedule C-2d.
- I - Remove negative payroll tax expense that will not recur due to management contract.
- J - Remove property taxes that were incurred outside of the current test year.
- K - Increase interest expense for proposed WIFA loan.
- L - Increase proposed revenue per calculation on Schedule A-1.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:

C-2a through C-2d

Recap Schedules:

(a) C-1

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

Schedule C-2a  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OFFICE SUPPLIES AND EXPENSE ADJUSTMENT**

Description	Amount
November 2008 billing forms	\$ (2)
December 2008 billing forms	(2)
November 2009 billing forms	2
December 2009 billing forms	2
November 2008 postage	(15)
December 2008 postage	(15)
November 2009 postage	59
December 2009 postage	19
Total Adjustment C	<u>\$ 48</u>

**Indiada Water Company, Inc.**  
Test Year Ended December 31, 2009

**Schedule C-2b**  
**Title: Income Statement Proforma**  
**Adjustments**

**DETAIL OF PROPOSED OUTSIDE SERVICES EXPENSE ADJUSTMENT**

<b>Description</b>	<b>Amount</b>
December 2008 accounting	(130)
November 2009 accounting	130
December 2009 accounting	130
Remove test year management fees expense per general ledger	(5,602)
Proforma management fees expense	\$ 9,636
<b>Total Adjustment D</b>	<b>\$ 4,164</b>

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

Schedule C-2c  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED TRANSPORTATION EXPENSE ADJUSTMENT**

Description	Amount
November 2008 mileage	\$ (82)
December 2008 mileage	(230)
November 2009 mileage	178
December 2009 mileage	203
Non-recurring vehicle lease expenses	(200)
<b>Total Adjustment E</b>	<b>\$ (131)</b>

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

Schedule C-2d  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED DEPRECIATION EXPENSE CALCULATION**

Account Number	Description	Plant @ End of Test Year 31-Dec-09	Proposed Depreciation Rate	Ref	Proposed Depreciation Expense
302	Franchises	\$ -	0.00%		\$ -
303	Land & Land Rights	750	0.00%		-
304	Structures & Improvements	-	3.33%		-
307	Wells & Springs	7,786	3.33%	1	-
311	Pumping Equipment	16,453	12.50%		2,057
320	Water Treatment Equipment				-
320.1	Water Treatment Plants	-	3.33%		-
320.2	Solution Chemical Feeders	1,076	20.00%		215
330	Distribution Reservoirs & Standpipes	1,503	2.22%		33
330.1	Storage Tanks	10,865	2.22%		241
330.2	Pressure Tanks	5,054	5.00%		253
331	Transmission & Distribution Mains	26,736	2.00%	2	159
333	Services	474	3.33%	3	-
334	Meters & Meter Installations	3,440	8.33%	4	237
335	Hydrants	-	2.00%		-
339	Other Plant and Misc Equipment	-	6.67%		-
340	Office Furniture & Equipment	3,789	6.67%		253
340.1	Computers and Software	-	20.00%		-
341	Transportation Equipment	18,045	20.00%		3,609
343	Tools, Shop, and Garage Equipment	-	5.00%		-
345	Power Operated Equipment	-	5.00%		-
348	Other Tangible Plant	-	0.00%		-

**Proposed Totals** \$ 95,971 \$ 7,057

Test Year Depreciation Expense 5,076

**Total Adjustment H** \$ 1,981

- 1 Amount in Account 307 - Wells & Springs, is fully depreciated.
- 2 \$18,780 of total in Account 331 - Transmission & Distribution Mains, is fully depreciated.
- 3 Amount in Account 333 - Services, is fully depreciated.
- 4 \$593 of total in Account 334 - Meters & Meter Installations, is fully depreciated.

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

**Schedule C-3**  
**Title: Computation of Gross Revenue**  
**Conversion Factor**

Explanation:  
Schedule showing incremental taxes on gross revenues and  
the development of a gross revenue conversion factor.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Description	Calculation
Revenue	1.0000
Combined Federal And State Tax Rate	-
Subtotal	1.0000
<b>Gross Revenue Conversion Factor = 1/Operating Income %</b>	<b>1.0000</b>

*CALCULATION OF COMBINED FEDERAL AND STATE TAX RATE:*

Operating Income Before Taxes (Arizona Taxable Income)	100.0000%
Arizona State Income Tax Rate	0.0000%
Federal Taxable Income	100.0000%
Federal Income Tax Rate	0.0000%
Effective Federal Income Tax Rate	0.0000%
Combined Federal And State Income Tax Rates	0.0000%



**Indiada Water Company, Inc.**  
Test Year Ended December 31, 2009

**Schedule D-1**  
**Title: Summary Cost of Capital**

Explanation:  
Schedule showing elements of capital structure  
and the related cost.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Speci Reqmt ☐

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)	\$ -				\$ 239,651	84.27%	5.00%	4.21%
Short-Term Debt (a)	-				-			
Common Equity (c)	44,726	100.00%	12.00%	12.00%	44,726	15.73%	12.00%	1.89%
<b>Totals</b>	<b>\$ 44,726</b>	<b>100.00%</b>		<b>12.00%</b>	<b>\$ 284,377</b>	<b>100.00%</b>		<b>6.10%</b>

Supporting Schedules:

- (a) D-2
- (b) D-3
- (c) D-4
- (d) E-1

Recap Schedules:

- (e) A-3

**Indiada Water Company, Inc.**  
Test Year Ended December 31, 2009

**Schedule E-1**  
**Title: Comparative Balance**  
**Sheet**

**Explanation:**  
Schedule showing comparative balance sheets at the end of the  
test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

	Test Year At 31-Dec-09	Prior Year 31-Dec-08	Prior Year 31-Dec-07
<b>ASSETS</b>			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 95,971	\$ 92,607	\$ 67,086
103 Property Held for Future Use	-	-	-
105 Construction Work in Process	-	-	-
108 Accumulated Depreciation	(53,371)	(50,075)	(47,502)
Total Property Plant & Equipment	\$ 42,600	\$ 42,532	\$ 19,584
Current Assts:			
131 Cash	\$ 701	\$ 4,718	\$ 3,017
135 Temporary Cash Investments			
141 Customer Accounts Receivable	106		-
146 Notes/Receivables from Associated Companies	2,000	2,000	1,000
151 Plant Material and Supplies			
162 Prepayments			
174 Miscellaneous Current and Accrued Assets	3,010	3,000	3,000
Total Current Assets	\$ 5,817	\$ 9,718	\$ 7,017
<b>TOTAL ASSETS</b>	<b>\$ 48,417</b>	<b>\$ 52,250</b>	<b>\$ 26,601</b>
<b>LIABILITIES and CAPITAL</b>			
Capitalization: (b)			
201.1 Common Stock Issued	\$ 41,300	\$ 41,300	\$ 41,300
201.2 Treasury Stock	(11,300)	(11,300)	(11,300)
211 Paid in Capital in Excess of Par Value	(12,320)	(22,643)	(22,643)
215 Retained Earnings	27,046	25,277	3,462
218 Proprietary Capital			
Total Capital	\$ 44,726	\$ 32,634	\$ 10,819
Current Liabilities:			
231 Accounts Payable	\$ 3,533	\$ 7,898	\$ 292
232 Notes Payable (Current Portion)			
234 Notes/Accounts Payable to Associated Companies			
235 Customer Deposits	680	630	500
236 Accrued Taxes	(522)	565	667
241 Miscellaneous Current and Accrued Liabilities			
Total Current Liabilities	\$ 3,691	\$ 9,093	\$ 1,459
224 Long-Term Debt (Over 12 Months)	\$ -	\$ 10,523	\$ 14,323
Deferred Credits:			
252 Advances In Aid Of Construction	\$ -	\$ -	\$ -
271 Contributions In Aid Of Construction	-	-	-
272 Less: Amortization of Contributions			
281 Accumulated Deferred Income Tax			
Total Deferred Credits	\$ -	\$ -	\$ -
Total Liabilities	\$ 3,691	\$ 19,616	\$ 15,782
<b>TOTAL LIABILITIES and CAPITAL</b>	<b>\$ 48,417</b>	<b>\$ 52,250</b>	<b>\$ 26,601</b>

Supporting Schedules:  
(a) E-5

Recap Schedules:  
(b) A-3

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

Schedule E-2  
Title: Comparative Income  
Statements

Explanation:

Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Revenues: (a)			
461 Metered Water Revenue	\$ 28,013	\$ 24,885	\$ 27,380
461.1 Surcharge Revenue	869	-	-
474 Other Water Revenue	127	200	60
Total Revenues	\$ 29,009	\$ 25,085	\$ 27,440
Operating Expenses (a)			
601 Salaries & Wages	\$ -	\$ 6,750	\$ 9,000
610 Purchased Water	1,700	2,150	4,009
615 Purchased Power	1,818	1,631	986
618 Chemicals	166	-	-
620 Repairs and Maintenance	910	3,983	3,714
621 Office Supplies and Expense	1,336	4,244	746
630 Outside Services	9,937	2,672	1,756
635 Water Testing	2,129	1,163	600
641 Rents	-	900	1,200
650 Transportation Expense	3,688	982	-
657 Insurance - General liability	49	-	-
659 Insurance - Health and Life	-	-	-
666 Regulatory Commission Expense - Rate Case	1,439	-	-
675 Miscellaneous Expense	-	-	361
403 Depreciation Expense	5,076	4,892	3,556
408 Taxes Other Than Income	(958)	1,026	1,905
408.11 Property Taxes	1,412	691	1,764
409 Income Tax	-	-	-
Total Operating Expenses	\$ 28,702	\$ 31,084	\$ 29,597
OPERATING INCOME/(LOSS)	\$ 307	\$ (5,999)	\$ (2,157)
Other Income/(Expense)			
419 Interest and Dividend Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	4,515	4,000
426 Miscellaneous Non-Utility Expense	-	-	(250)
427 Interest Expense	-	(700)	(1,045)
Total Other Income/(Expense)	\$ -	\$ 3,815	\$ 2,705
NET INCOME/(LOSS)	\$ 307	\$ (2,184)	\$ 548

Supporting Schedules:  
(a) E-6

Recap Schedules:  
A-2

**Indiada Water Company, Inc.**  
Test Year Ended December 31, 2009

**Schedule E-5**  
**Title: Detail of Utility Plant**

Explanation:  
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Account Number	Description	End of Prior Year at 31-Dec-08	Net Additions	End of Test Year at 31-Dec-09
302	Franchises	\$ -		\$ -
303	Land & Land Rights	750		750
304	Structures & Improvements	-		-
307	Wells & Springs	7,786		7,786
311	Pumping Equipment	14,289	2,164	16,453
320	Water Treatment Equipment	-		-
320.1	Water Treatment Plants	-		-
320.2	Solution Chemical Feeders	1,076		1,076
330	Distribution Reservoirs & Standpipes	1,503		1,503
330.1	Storage Tanks	10,865		10,865
330.2	Pressure Tanks	5,054		5,054
331	Transmission & Distribution Mains	25,536	1,200	26,736
333	Services	474		474
334	Meters & Meter Installations	3,440		3,440
335	Hydrants	-		-
339	Other Plant and Misc Equipment	-		-
340	Office Furniture & Equipment	3,789		3,789
340.1	Computers and Software	-		-
341	Transportation Equipment	18,045		18,045
343	Tools, Shop, and Garage Equipment	-		-
345	Power Operated Equipment	-		-
348	Other Tangible Plant	-		-
	<b>Total Plant In Service</b>	<b>\$ 92,607</b>	<b>\$ 3,364</b>	<b>\$ 95,971</b>
108	Accumulated Depreciation	(50,075)	(3,295)	(53,371)
	<b>Net Plant In Service</b>	<b>\$ 42,532</b>	<b>\$ 69</b>	<b>\$ 42,600</b>
103	Property Held for Future Use	\$ -		\$ -
105	Construction Work in Process	-		-
	<b>Total Net Plant</b>	<b>\$ 42,532</b>	<b>\$ 69</b>	<b>\$ 42,600</b>

Supporting Schedules:

Recap Schedules:  
E-1 A-4

**Indiada Water Company, Inc.**  
Test Year Ended December 31, 2009

**Schedule E-7**  
**Title: Operating Statistics**

Explanation:  
Schedule showing key operating statistics in comparative format,  
for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="checked" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
<b>Water Statistics:</b>			
Gallons Sold - By Class of Service:			
Residential	5,850,000	5,267,000	2,586,600
Commercial	-	-	-
Average Number of Customers - By Class of Service:			
Residential	55	56	54
Commercial	-	-	-
Average Annual Gallons Per Residential Customer	106,364	94,054	47,900
Average Annual Revenue Per Residential Customer	\$ 261.46	\$ 245.09	\$ 183.71
Pumping Cost Per 1,000 Gallons	\$ 0.3108	\$ 0.3097	\$ 0.3812

**Indiada Water Company, Inc.**  
Test Year Ended December 31, 2009

**Schedule E-8**  
**Title: Taxes Charged to Operations**

Explanation:  
Schedule showing all significant taxes charged to operations for the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Description	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Federal Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	(958)	570	761
Total Federal Taxes	\$ (958)	\$ 570	\$ 761
State Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	-	456	1,145
Total State Taxes	\$ -	\$ 456	\$ 1,145
Local Taxes:			
Property	\$ 1,412	\$ 691	\$ 1,764
<b>Total Taxes</b>	<b>\$ 454</b>	<b>\$ 1,717</b>	<b>\$ 3,669</b>

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

Schedule E-9  
Title: Notes to Financial  
Statements

Explanation:  
Disclosure of important facts pertaining to the understanding  
of the financial statements.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

Disclosures should include, but not be limited to the following:

1 Accounting Method.

**The books of the combined entity are kept as accrual based, and also follow NARUC rules, including the USoA.**

2 Depreciation lives and methods employed by major classification of utility property.

**For years up to and including the test year 2009, the depreciation rate as authorized in Decision 54500 was 5% for all plant asset categories. Proposed depreciation rates are depicted on Schedule C-2a, and were taken from ACC Engineering Staff Memo regarding their recommended rates for depreciation dated April 21, 2000, and revised March 1, 2001.**

3 Income tax treatment - normalization or flow through.

**Income taxes are not a factor in the unconsolidated company since the entity is an S-Corp.**

4 Interest rate used to charge interest during construction, if applicable.

**Not Applicable.**

Supporting Schedules:

Recap Schedules:

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

Schedule F-1  
Title: Projected Income Statements -  
Present and Proposed Rates

Explanation:  
Schedule showing an income statement for the projected year,  
compared with actual test year results, at present and proposed  
rates.

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec Reqmt

X

	Actual Test Year Ended (a) 31-Dec-09	Projected Year	
		At Present	At Proposed
		Rates Year Ended (b) 31-Dec-10	Rates Year Ended (b) 31-Dec-10
<b>Operating Revenues:</b>			
461 Metered Water Revenue	\$ 28,013	\$ 28,013	\$ 57,935
461.1 Surcharge Revenue	869	-	-
474 Other Water Revenue	127	127	127
<b>Total Operating Revenue</b>	<b>\$ 29,009</b>	<b>\$ 28,140</b>	<b>\$ 58,062</b>
<b>Operating Expenses:</b>			
601 Salaries & Wages	\$ -	\$ -	\$ -
610 Purchased Water	1,700	-	-
615 Purchased Power	1,818	1,818	1,818
618 Chemicals	166	166	166
620 Repairs & Maintenance	910	910	910
621 Office Supplies and Expense	1,336	1,384	1,384
630 Outside Services	9,937	14,101	14,101
635 Water Testing	2,129	2,129	2,129
641 Rental Expense	-	-	-
650 Transportation Expense	3,688	3,557	3,557
657 Insurance - General Liability	49	-	-
659 Insurance - Health and Life	-	-	-
666 Rate Case Expense	1,439	1,813	1,813
675 Miscellaneous Expense	-	-	-
403 Depreciation & Amortization	5,076	7,057	7,057
408 Property Taxes	(958)	-	-
408.1 Taxes Other Than Income	1,412	1,402	1,402
409 Income Taxes	-	-	-
<b>Total Operating Expenses</b>	<b>\$ 28,702</b>	<b>\$ 34,337</b>	<b>\$ 34,337</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ 307</b>	<b>\$ (6,197)</b>	<b>\$ 23,725</b>
<b>Other Income/(Expense):</b>			
419 Interest Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	-	-
426 Miscellaneous Non-Utility Expenses	-	-	-
427 Interest Expense	-	(11,820)	(11,820)
<b>Total Other Income/(Expense)</b>	<b>\$ -</b>	<b>\$ (11,820)</b>	<b>\$ (11,820)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ 307</b>	<b>\$ (18,017)</b>	<b>\$ 11,905</b>
Earnings per share of average Common Stock Outstanding	\$ 0.74	\$ (43.62)	\$ 28.83
% Return on Common Equity	0.002%	-0.098%	0.064%

Supporting Schedules:  
(a) E-2

Recap Schedules:  
(b) A-2



**Indiada Water Company, Inc.**  
 Test Year Ended December 31, 2009

**Schedule F-3**  
**Title: Projected Construction**  
**Requirements**

Explanation:  
 Schedule showing projected annual construction requirements,  
 by property classification, for 1 to 3 years subsequent to the  
 test year compared with the test year.

Required for: All Utilities ☒  
 Class A ☐  
 Class B ☐  
 Class C ☐  
 Class D ☐  
 Specil Reqmt ☐

<u>Property Classification</u>	<u>Actual Test Year Ended 12/31/2009</u>	<u>End of Projected Year 1</u>
Production Plant	\$ 2,164	\$ -
Transmission Plant	1,200	239,651
Other Plant	-	-
<b>Total Plant</b>	<b>\$ 3,364</b>	<b>\$ 239,651</b>

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:  
 (a) F-2 & A-4

Indiada Water Company, Inc.  
Test Year Ended December 31, 2009

Schedule F-4  
Title: Assumptions Used in  
Developing Projection

Explanation:

Documentation of important assumptions used in preparing forecasts and projections

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth:

**The company has experienced no growth in the past few years.**

2 Growth in consumption and customer demand:

**The company does not anticipate an increase in customer consumption and demand due to the proposed tiered rate structure.**

3 Changes in expenses:

**The company believes the test year 2009, with the limited proforma adjustments included in this application, accurately depict expense levels for the unconsolidated entity going forward.**

4 Construction requirements including production reserves and changes in plant capacity:

**The Company is seeking a loan from WIFA for the three commonly owned entities totaling \$3 million to replace lines, add storage, and upgrade pumps and electrical at well and booster sites.**

5 Capital structure changes:

**If the proposed consolidation of Indiada Water with the two related entities is approved, the new utility's structure would be a C-Corp.**

6 Financing costs, interest rates

**The company proposes to borrow funds from WIFA, and it will be required to pay WIFA's normal fees, reserves, and the prevailing interest rate at the time the loan is closed. Indiada's share of the interest is included on the unconsolidated income statement for comparative purposes.**

Supporting Schedules:

Recap Schedules:

**Indiada Water Company**  
 Test Year Ended December 31, 2009

**Schedule: H-1**  
**Title: Summary of Revenues by Customer**  
**Classification - Present and Proposed Rates**

Explanation:  
 Schedule comparing revenues by customer classification for  
 the Test Year, at present and proposed rates.

Required for: All Utilities	<input checked="checked" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)	
	Present Rates	Proposed Rates	Amount	%
All customers are residential				
5/8 x 3/4 inch	\$ 27,842	\$ 57,338	29,496	105.94%
1 inch	171	597	426	248.48%
<b>Total Water Revenues</b>	<b>\$ 28,013</b>	<b>\$ 57,935</b>	<b>\$ 29,922</b>	<b>106.81%</b>
Emergency Surcharge	\$ 869	\$ -	\$ (869)	-99.99%
Other Revenues	127	127	-	0.00%
<b>Total Revenues</b>	<b>\$ 29,009</b>	<b>\$ 58,062</b>	<b>\$ 29,053</b>	<b>100.15%</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
 (a) H-2

Recap Schedules:  
 (b) A-1

Indiada Water Company  
Test Year Ended December 31, 2009

Schedule: H-3  
Title: Changes in Representative Rate  
Schedules - Page 1 of 2

Explanation:  
Schedule comparing present rate schedules with proposed  
rate schedule.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

Description	Present Rate	Proposed Rate	% change
<b>MONTHLY USAGE CHARGE</b>	(includes first 1000 gallons)	(includes first 0 gallons)	
5/8" x 3/4" Meter	\$ 15.00	\$ 37.87	152%
3/4" Meter	\$ 15.00	\$ 56.81	279%
1" Meter	\$ 15.00	\$ 94.68	531%
1-1/2" Meter	\$ 15.00	\$ 189.35	1162%
2" Meter	\$ 15.00	\$ 302.96	1920%
3" Meter	\$ 15.00	\$ 605.92	3939%
4" Meter	\$ 15.00	\$ 946.75	6212%
6" Meter	\$ 15.00	\$ 1,893.50	12523%
Gallons Included in Usage Charge	1,000	-	

EMERGENCY INTERIM SURCHARGE EFFECTIVE: OCTOBER 30, 2009  
DECISION NO. 71321  
DOCKET NO. W-2031A-09-0285  
\$7.83 PER CUSTOMER PER MONTH

**COMMODITY CHARGE (EXCESS OF MINIMUM)**  
3.50 Per 1,000 Gallons

**Commodity Charges Per 1,000 Gallons:**

5/8 x 3/4 - inch meter	Present Rate	Proposed Rate	% change
Tier one: 0 - 1,000 Gallons	\$ -	\$2.70	
Tier one: 1,001 - 3,000 Gallons	\$ 3.50	\$2.70	-23%
Tier two: 3,001 to 10,000 Gallons	\$ 3.50	\$4.86	39%
Tier three: All Gallons Over 10,000	\$ 3.50	\$8.75	150%
<b>3/4 - inch meter</b>			
Tier one: 0 - 1,000 Gallons	\$ -	\$2.70	
Tier one: 1001 - 3,000 Gallons	\$ 3.50	\$2.70	-23%
Tier two: 3,001 to 10,000 Gallons	\$ 3.50	\$4.86	39%
Tier three: All Gallons Over 10,000	\$ 3.50	\$8.75	150%
<b>One - inch meter</b>			
Tier one: 0 - 1,000 Gallons	\$ -	\$2.70	
Tier one: 1001 - 6,000 Gallons	\$ 3.50	\$2.70	-23%
Tier two: All Gallons Over 6,000	\$ 3.50	\$4.86	39%
<b>One and one half - inch meter</b>			
Tier one: 0 - 1,000 Gallons	\$ -	\$2.70	
Tier one: 1001 - 6,000 Gallons	\$ 3.50	\$2.70	-23%
Tier two: All Gallons Over 6,000	\$ 3.50	\$4.86	39%
<b>Two - inch meter</b>			
Tier one: 0 - 1,000 Gallons	\$ -	\$2.70	
Tier one: 1001 - 6,000 Gallons	\$ 3.50	\$2.70	-23%
Tier two: All Gallons Over 6,000	\$ 3.50	\$4.86	39%
<b>Three - inch meter</b>			
Tier one: 0 - 1,000 Gallons	\$ -	\$2.70	
Tier one: 1001 - 6,000 Gallons	\$ 3.50	\$2.70	-23%
Tier two: All Gallons Over 6,000	\$ 3.50	\$4.86	39%

Indiada Water Company  
Test Year Ended December 31, 2009

Schedule: H-3  
Title: Changes in Representative Rate  
Schedules - Page 2 of 2

**Four - inch meter**

Tier one: 0 - 1,000 Gallons	\$	-	\$2.70	
Tier one: 1001 - 6,000 Gallons	\$	3.50	\$2.70	-23%
Tier two: All Gallons Over 6,000	\$	3.50	\$4.86	39%

**Six - inch meter**

Tier one: 0 - 1,000 Gallons	\$	-	\$2.70	
Tier one: 1001 - 6,000 Gallons	\$	3.50	\$2.70	-23%
Tier two: All Gallons Over 6,000	\$	3.50	\$4.86	39%

Description		Present Rate	Proposed Rate	% change
<b>SERVICE CHARGES</b>				
Establishment	\$	20.00	\$ 35.00	75.00%
Establishment (After Hours)		50.00	\$ 50.00	0.00%
Reconnection (Delinquent)		10.00	\$ 35.00	250.00%
Reconnection (After Hours)		40.00	\$ 50.00	25.00%
Meter Test (If Correct)		20.00	Cost	
Meter Reread (If Correct)		10.00	\$ 5.00	-50.00%
NSF Check Charge		10.00	\$ 35.00	250.00%
Deposit		NA	*	
Deposit Interest (Per Annum)		NA	*	
Deferred Payment (Per Month)		NA	**	
Late Charge (Per Month)		NA	**	
Re-establishment (Within 12 Month	\$	50.00	***	
Main Extension		N/A	Cost	

MONTHLY SERVICE CHARGE  
FOR FIRE SPRINKLER:

N/A \*\*\*\*\*

Indiada Water Company  
Test Year Ended December 31, 2009

Schedule: H-3  
Title: Changes in Representative Rate  
Schedules - Page 2 of 3

**SERVICE LINE AND METER INSTALLATION CHARGES**  
Refundable Pursuant to AAC R14-2-405

Description		Present Rate	Proposed Rates			% change
			Service Line	Meter Charge	Total Charge	
5/8" x 3/4" Meter	\$	100.00	\$ 400.00	\$ 100.00	\$ 500.00	400%
3/4" Meter		120.00	\$ 415.00	\$ 205.00	620.00	417%
1" Meter		200.00	\$ 465.00	\$ 265.00	730.00	265%
1-1/2" Meter		300.00	\$ 520.00	\$ 475.00	995.00	232%
2" Meter - Turbine	\$	500.00	\$ 800.00	\$ 995.00	1,795.00	100%
2" Meter - Compound			\$ 800.00	\$ 1,840.00	2,640.00	
3" Meter - Turbine			\$ 1,015.00	\$ 1,620.00	2,635.00	100%
3" Meter - Compound			\$ 1,135.00	\$ 2,495.00	3,630.00	
4" Meter - Turbine			\$ 1,430.00	\$ 2,570.00	4,000.00	100%
4" Meter - Compound			\$ 1,610.00	\$ 3,545.00	5,155.00	
6" Meter - Turbine			\$ 2,150.00	\$ 4,925.00	7,075.00	100%
6" Meter - Compound			\$ 2,270.00	\$ 6,820.00	9,090.00	
8" Meter - Turbine			\$ 2,881.00	\$ 9,456.00	12,337.00	100%
8" Meter - Compound			\$ 3,860.54	\$ 18,155.52	22,016.06	

\* Per Commission Rule AAC R-14-2-403(B).

\*\* 1.50% of unpaid monthly balance.

\*\*\* Month off system times the monthly minimum per Commission rule AAC R14-2-403(D).

\*\*\*\* 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:

Indiada Water Company  
Test Year Ended December 31, 2009

Schedule: H-4  
Title: Typical Bill  
Analysis

Page 1 of 2

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

5/8" x 3/4" meter

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Specd Reqmt

X

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 15.00	\$ 22.83	\$ 37.87	152.47%	65.88%
1,000	15.00	22.83	40.57	170.47%	77.70%
2,000	18.50	26.33	43.27	133.89%	64.34%
3,000	22.00	29.83	45.97	108.95%	54.11%
4,000	25.50	33.33	50.83	99.33%	52.51%
5,000	29.00	36.83	55.69	92.03%	51.21%
6,000	32.50	40.33	60.55	86.31%	50.14%
7,000	36.00	43.83	65.41	81.69%	49.24%
8,000	39.50	47.33	70.27	77.90%	48.47%
9,000	43.00	50.83	75.13	74.72%	47.81%
10,000	46.50	54.33	79.99	72.02%	47.23%
15,000	64.00	71.83	123.76	93.38%	72.30%
20,000	81.50	89.33	167.53	105.56%	87.54%
25,000	99.00	106.83	211.30	113.43%	97.79%
50,000	186.50	194.33	430.15	130.64%	121.35%
75,000	274.00	281.83	649.00	136.86%	130.28%
100,000	361.50	369.33	867.85	140.07%	134.98%
125,000	449.00	456.83	1,086.70	142.03%	137.88%
150,000	536.50	544.33	1,305.55	143.35%	139.85%
175,000	624.00	631.83	1,524.40	144.29%	141.27%
200,000	711.50	719.33	1,743.25	145.01%	142.34%

Supporting Schedules:

Indiada Water Company  
Test Year Ended December 31, 2009

Schedule: H-4  
Title: Typical Bill  
Analysis  
Page 2 of 2

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

1 inch meter  
(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Monthly Consumption	Present Bill W/O Surcharge	Present Bill With Surcharge	Proposed Bill W/O Surcharge	Percent Increase W/O Surcharge	Percent Increase With Surcharge
-	\$ 15.00	\$ 22.83	\$ 94.68	531.17%	315%
1,000	15.00	22.83	97.38	549.17%	327%
2,000	18.50	26.33	100.08	440.95%	280%
3,000	22.00	29.83	102.78	367.16%	245%
4,000	25.50	33.33	105.48	313.63%	216%
5,000	29.00	36.83	108.18	273.02%	194%
6,000	32.50	40.33	110.88	241.15%	175%
7,000	36.00	43.83	115.74	221.49%	164%
8,000	39.50	47.33	120.60	205.30%	155%
9,000	43.00	50.83	125.46	191.76%	147%
10,000	46.50	54.33	130.32	180.25%	140%
15,000	64.00	71.83	154.62	141.59%	115%
20,000	81.50	89.33	178.92	119.53%	100%
25,000	99.00	106.83	203.22	105.27%	90%
40,000	151.50	159.33	276.12	82.25%	73%
50,000	186.50	194.33	324.72	74.11%	67%
75,000	274.00	281.83	446.22	62.85%	58%
100,000	361.50	369.33	567.72	57.04%	54%
125,000	449.00	456.83	689.22	53.50%	51%
150,000	536.50	544.33	810.72	51.11%	49%
175,000	624.00	631.83	932.22	49.39%	48%
200,000	711.50	719.33	1,053.72	48.10%	46%

Supporting Schedules:

Indiada Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 1 of 3

Explanation:  
Schedule(s) showing billing activity by block for each rate  
schedule.

5/8 x 3/4 inch meter - Residential

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	26	-	26	3.93%	-	0.00%
1 to 1,000	26	13,000	52	7.87%	13,000	0.23%
1,001 to 2,000	71	106,500	123	18.61%	119,500	2.07%
2,001 to 3,000	67	167,500	190	28.74%	287,000	4.97%
3,001 to 4,000	79	276,500	269	40.70%	563,500	9.76%
4,001 to 5,000	47	211,500	316	47.81%	775,000	13.43%
5,001 to 6,000	52	286,000	368	55.67%	1,061,000	18.39%
6,001 to 7,000	33	214,500	401	60.67%	1,275,500	22.10%
7,001 to 8,000	35	262,500	436	65.96%	1,538,000	26.65%
8,001 to 9,000	26	221,000	462	69.89%	1,759,000	30.48%
9,001 to 10,000	30	285,000	492	74.43%	2,044,000	35.42%
10,001 to 12,000	35	385,000	527	79.73%	2,429,000	42.09%
12,001 to 14,000	18	234,000	545	82.45%	2,663,000	46.14%
14,001 to 16,000	18	270,000	563	85.17%	2,933,000	50.82%
16,001 to 18,000	16	272,000	579	87.59%	3,205,000	55.54%
18,001 to 20,000	9	171,000	588	88.96%	3,376,000	58.50%
20,001 to 25,000	27	607,500	615	93.04%	3,983,500	69.03%
25,001 to 30,000	16	440,000	631	95.46%	4,423,500	76.65%
30,001 to 35,000	10	325,000	641	96.97%	4,748,500	82.28%
35,001 to 40,000	9	337,500	650	98.34%	5,086,000	88.13%
40,001 to 50,000	3	135,000	653	98.79%	5,221,000	90.47%
50,001 to 60,000	1	55,000	654	98.94%	5,276,000	91.42%
60,001 to 70,000	3	195,000	657	99.39%	5,471,000	94.80%
70,001 to 80,000	4	300,000	661	100.00%	5,771,000	100.00%
80,001 to 90,000	-	-	661	100.00%	5,771,000	100.00%
90,001 to 100,000	-	-	661	100.00%	5,771,000	100.00%
>100,000	-	-	661	100.00%	5,771,000	100.00%
	661	5,771,000				

Average Number of Customers 55  
Average Consumption 8,731  
Median Consumption 5,260



Indiada Water Company  
Test Year Ended June 30, 2009

Schedule: H-5  
Title: Bill Count  
Page 2 of 3

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter - Residential

Note: There are no commercial customers on 1 inch meters.

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	-	-	-	0.00%	-	0.00%
1,001 to 2,000	1	1,500	1	20.00%	1,500	4.62%
2,001 to 3,000	2	5,000	3	60.00%	6,500	20.00%
3,001 to 4,000	1	3,500	4	80.00%	10,000	30.77%
4,001 to 5,000	-	-	4	80.00%	10,000	30.77%
5,001 to 6,000	-	-	4	80.00%	10,000	30.77%
6,001 to 7,000	-	-	4	80.00%	10,000	30.77%
7,001 to 8,000	-	-	4	80.00%	10,000	30.77%
8,001 to 9,000	-	-	4	80.00%	10,000	30.77%
9,001 to 10,000	-	-	4	80.00%	10,000	30.77%
10,001 to 12,000	-	-	4	80.00%	10,000	30.77%
12,001 to 14,000	-	-	4	80.00%	10,000	30.77%
14,001 to 16,000	-	-	4	80.00%	10,000	30.77%
16,001 to 18,000	-	-	4	80.00%	10,000	30.77%
18,001 to 20,000	-	-	4	80.00%	10,000	30.77%
20,001 to 25,000	1	22,500	5	100.00%	32,500	100.00%
25,001 to 30,000	-	-	5	100.00%	32,500	100.00%
30,001 to 35,000	-	-	5	100.00%	32,500	100.00%
35,001 to 40,000	-	-	5	100.00%	32,500	100.00%
40,001 to 50,000	-	-	5	100.00%	32,500	100.00%
50,001 to 60,000	-	-	5	100.00%	32,500	100.00%
60,001 to 70,000	-	-	5	100.00%	32,500	100.00%
70,001 to 80,000	-	-	5	100.00%	32,500	100.00%
80,001 to 90,000	-	-	5	100.00%	32,500	100.00%
90,001 to 100,000	-	-	5	100.00%	32,500	100.00%
>100,000	-	-	5	100.00%	32,500	100.00%
	5	32,500				

Average Number of Customers	0.42
Average Consumption	6,500
Median Consumption	2,635

**Indiada Water Company**

Test Year Ended December 31, 2009

**Schedule: H-5****Title: Bill Count****Page 3 of 3**

## Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Amount of Surcharge \$ 7.83 per customer per month  
Surcharge Approved in Decision 71321, October 30, 2009

	<u># of Bills Nov and Dec 2009</u>	<u>Surcharge</u>	<u>Surcahrge Revenue</u>
Residential	111	\$ 7.83	\$ 869.13
Commercial	-	\$ 7.83	-
<b>Indiada Total Surcharge Revenue</b>		\$	<b>869.13</b>

# **EXHIBIT 3**

COMPANY NAME: Indiada Water Company

Name of System:

ADEQ Public Water System Number: 02-020

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	54	299	243	124
FEBRUARY	55	301	402	11
MARCH	55	436	505	12
APRIL	56	527	595	13
MAY	55	801	784	41
JUNE	55	703	676	37
JULY	57	567	576	10
AUGUST	56	511	507	12
SEPTEMBER	55	618	629	14
OCTOBER	55	358	412	20
NOVEMBER	56	485	506	26
DECEMBER	55	244	320	14
TOTALS →		5850	6156	334

What is the level of arsenic for each well on your system? <0.001 mg/l  
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for \_\_\_\_ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
( X ) Yes                      ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
( ) Yes                      ( X ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
( ) Yes                      ( X ) No

If yes, provide the GPCPD amount: \_\_\_\_\_

**Note: If you are filing for more than one system, please provide separate data sheets for each system.**

See Accountant's Compilation Report

# **EXHIBIT 4**

Company Name: Indiada Water Company Inc.

Test Year Ended: 31-Dec-09

**WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-805790 Davis Well	1	12	55	8	1	1970
55-805791 North Well	2	20	120	8	1	1966
55-805792 East Well	1.5	20	120	8	2	1967

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Antelope Run Water Company		334

**BOOSTER PUMPS**

Horsepower	Quantity
2.0	1

**FIRE HYDRANTS**

Quantity Standard	Quantity Other

**STORAGE TANKS**

Capacity	Quantity
12,000 gal	1

**PRESSURE TANKS**

Capacity	Quantity
1,000 gal	2
85 gal	2

Company Name: Indiada Water Company Inc.

Test Year Ended: 31-Dec-09

**WATER COMPANY PLANT DESCRIPTION CONTINUED**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	1,000
3	AC/PVC	10,000
4	AC	2,000
5		
6		
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 x 3/4	56
3/4	
1	1
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, please list the utility owned assets in each category.

**TREATMENT EQUIPMENT:**

2 chlorinators

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**STRUCTURES:**

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**OTHER:**

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# **EXHIBIT 5**



**Arizona Department of Environmental Quality**  
**Drinking Water Monitoring and Protection Unit**  
 Mail Code 5415B-2  
 1110 West Washington Street  
 Phoenix, AZ 85007

**Drinking Water Compliance Status Report**

<b>System Name:</b> INDIADA WATER COMPANY	<b>System Type:</b> <input checked="" type="checkbox"/> Community <input type="checkbox"/> Non-transient Non-community <input type="checkbox"/> Transient Non-community	<b>Is system consecutive?</b> <input type="checkbox"/> Yes, to PWS # <input checked="" type="checkbox"/> No
<b>System ID #:</b> 02020		

<b>Overall compliance status:</b> <input type="checkbox"/> No major deficiencies <input checked="" type="checkbox"/> Major deficiencies	<b>Monitoring and Reporting status:</b> <input type="checkbox"/> No major deficiencies <input checked="" type="checkbox"/> Major deficiencies
Comments: The system has not submitted any Lead and Copper (Pb/Cu) results since 2005. They are required to take 10 Pb/Cu samples per year between June 1 and September 30.	

<b>Operation and Maintenance status:</b> <input checked="" type="checkbox"/> No major deficiencies <input type="checkbox"/> Major deficiencies	<b>Date of last Sanitary Survey:</b> 3-24-09	<b>Inspector:</b> John Eyre, SRO
Major unresolved/ongoing operation and maintenance deficiencies: <input type="checkbox"/> unable to maintain 20psi <input type="checkbox"/> cross connection/backflow problems <input type="checkbox"/> treatment deficiencies <input type="checkbox"/> certified operator <input type="checkbox"/> inadequate storage <input type="checkbox"/> surface water treatment rule <input type="checkbox"/> atc/aoc <input type="checkbox"/> other =		
Comments: None		

<b>Is an ADEQ administrative order in effect?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Comments: None

System Information	
Population Served	120
Service Connections	54
Number of Entry Points to the Distribution System	3
Number of Sources	3
Initial Monitoring Year	1995
Monitoring Assistance Program (MAP) System	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>Evaluation completed by:</b> Donna Calderon, Manager Drinking Water Monitoring and Protection Unit	<b>Phone:</b> 602-771-4641	<b>Date:</b> June 9, 2009
<input type="checkbox"/> Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4. <input checked="" type="checkbox"/> Based upon the monitoring and reporting deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4. <input type="checkbox"/> Based upon the operation and maintenance deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4.		

*This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.*

Arizona Department of Environmental Quality  
Drinking Water Lead and Copper Analysis Reporting Form

>>>> System Information <<<<

PWS ID# 02-020

Elaine Byfield

Owner/Contact Person

PWS Name: Indiada Water

(520) 623-5172

Owner/Contact Phone Number

(520) 792-0377

Owner/Contact Fax Number

SAMPLE COLLECTION POINT/ID:

- ☐ Zone/Distribution  
☐ Other - Direct from source  
☐ Surface  
☐ Well

Contaminant  
Action Level  
Analysis Methods  
Sample Type:

Lead (Pb)  
0.015 mg/l  
200.9

Copper (Cu)  
1.3 mg/l  
200.7

Sample Type:  
☐ Triennial (3 YR) Compliance  
☐ Annual Compliance  
☐ 6 Month Initial Compliance

Specimen #	Collection Point	Sample Date	Analysis Completion Date	Lead (mg/L) (1030) Result	Analysis Completion Date	Copper (mg/L) (1022) Result
09H0566-01(8C)	1490 Loma Ln	08/12/2009	09/09/2009	0.0043	09/02/2009	0.053
09H0566-02(8C)	5658 Calle Matate	08/12/2009	09/09/2009	ND	09/02/2009	0.036
09H0566-03(8C)	5363 Calle Matate	08/12/2009	09/09/2009	ND	09/02/2009	0.18
09H0566-04(8C)	5267 Calle Coro	08/12/2009	09/09/2009	0.0041	09/02/2009	0.17
09H0566-05(8C)	1221 Ramsey Canyon Rd	08/12/2009	09/09/2009	0.0026	09/02/2009	0.23
09H0566-06(8C)	5517 Calle Mano	08/12/2009	09/09/2009	0.0030	09/02/2009	ND
09H0566-07(8C)	1269 Calle Coro	08/12/2009	09/09/2009	0.0033	09/02/2009	0.16
09H0566-08(8C)	1531 Calle Coro	08/12/2009	09/09/2009	0.0044	09/02/2009	0.19
09H0566-09(8C)	5574 Calle Encina	08/12/2009	09/09/2009	0.0040	09/02/2009	0.25

I hereby certify that the information provided in this report is accurate and correct to the best of my knowledge.

Printed Name and Phone Number of Lab Contact: Terri L. Garcia, Technical Director

Signature: *Terri L. Garcia*

Phone # (520) 882-5880

Mail completed form to: ADEQ Water Quality Compliance Data Unit (MC 5415B-1), 1110 W. Washington St. Phoenix, AZ 85007.  
For questions call: (602) 771-4513 or within AZ 1-800-234-5677 Ext. 4513. Fax: (602) 771-4505

Copies of this form are available at <http://www.azdeq.gov/function/forms/appswater.html#sdw>, scroll down to laboratory reporting forms and click on DWAR 8: DW Lead & Copper Analysis Report.

Revised: 8/2008

Arizona Department of Environmental Quality  
**Drinking Water Lead and Copper Analysis Reporting Form**

>>>> System Information <<<<

PWS ID# 02-020 \_\_\_\_\_ PWS Name: Indiada Water (520) 792-0377  
 Elaine Byfield \_\_\_\_\_ Owner/Contact Phone Number  
 Owner/Contact Person \_\_\_\_\_ Owner/Contact Fax Number

SAMPLE COLLECTION POINT/ID: \_\_\_\_\_ Contaminant \_\_\_\_\_ Lead (Pb) \_\_\_\_\_ Copper (Cu) \_\_\_\_\_  
☐ Zone/Distribution Action Level 0.015 mg/l 1.3 mg/l  
☐ Other - Direct from source Analysis Methods 200.9  
 Sample Type: ☐ Surface ☐ Well  
 Sample Type: ☐ Triennial (3YR) Compliance  
☐ Annual Compliance  
☐ 6 Month Initial Compliance

Specimen #	Collection Point	Sample Date	Analysis Completion Date	Lead (mg/L) (1030) Result	Analysis Completion Date	Copper (mg/L) (1022) Result

Lab ID# AZ0066 90th % Calc: \_\_\_\_\_

I hereby certify that the information provided in this report is accurate and correct to the best of my knowledge.

Printed Name and Phone Number of Lab Contact: Terri L. Garcia, Technical Director Phone # (520) 882-5880

Signature: *Terri L. Garcia*

Mail completed form to: **ADEQ Water Quality Compliance Data Unit (MC 5415B-1), 1110 W. Washington St. Phoenix, AZ 85007.**

For questions call: (602) 771-4513 or within AZ 1-800-234-5677 Ext. 4513. Fax: (602) 771-4505

Copies of this form are available at <http://www.azdeq.gov/function/forms/appswater.html#sdw>, scroll down to laboratory reporting forms and click on DWAR 8: DW Lead & Copper Analysis Report.

Revised: 8/2008

Turner Laboratories W.O. #: 09H0566

Delivered by: CLIENT



- |  |   |  |  |
|--|---|--|--|
| 1. Shipping container/cooler in good condition?        | <input type="checkbox"/> Yes            | <input type="checkbox"/> No                        | <input checked="" type="checkbox"/> Not Present                              |
| 2. Custody seals intact on sample bottles?             | <input type="checkbox"/> Yes            | <input type="checkbox"/> No                        | <input checked="" type="checkbox"/> Not Present                              |
| 3. Chain of custody present?                           | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No                        |  |
| 4. COC agrees with sample labels?                      | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No                        |  |
| 5. Samples in proper container/bottle?                 | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No                        |  |
| 6. Sample container intact?                            | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No                        |  |
| 7. Sufficient sample volume for requested tests?       | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No                        |  |
| 8. Samples received within holding times?              | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No                        |  |
| 9. VOA vials received with no headspace?               | <input type="checkbox"/> Yes            | <input type="checkbox"/> No                        | <input checked="" type="checkbox"/> No Vials                                 |
| 10. Bacti bottles received with appropriate headspace? | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> Not Applicable | <input type="checkbox"/> Above 100ml<br><input type="checkbox"/> Below 100ml |

Additional Comments:

# CHAIN OF CUSTODY/LABORATORY ANALYSIS REQUEST FORM

TURNER WORK ORDER # 0940566 DATE 02-02-02 PAGE 1 OF 1

PROJECT NAME				NUMBER OF CONTAINERS				CIRCLE ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																SAMPLE RECEIPT:															
CONTACT NAME				LAB ID				INVOICE INFORMATION:																ACCOUNT															
COMPANY NAME				SAMPLE MATRIX*				REPORT REQUIREMENTS:																P.O. #															
ADDRESS				DATE				TURNAROUND REQUIREMENTS:																BILL TO:															
SAMPLER'S SIGNATURE				TIME				SPECIAL INSTRUCTIONS/COMMENTS:																TEMPERATURE															
Elaine Bufield				DW				<input type="checkbox"/> COD <input type="checkbox"/> TS <input type="checkbox"/> BOD <input type="checkbox"/> pH <input type="checkbox"/> MPN <input type="checkbox"/> Coliform <input type="checkbox"/> SDWA-INORGANICS <input type="checkbox"/> SDWA-ORGANICS <input type="checkbox"/> WAD <input type="checkbox"/> Cyanide <input type="checkbox"/> Total <input type="checkbox"/> Dissolved <input type="checkbox"/> Metals <input type="checkbox"/> TCLP <input type="checkbox"/> TCLP Analysis <input type="checkbox"/> Semi-VOA <input type="checkbox"/> Pest./Heb. <input type="checkbox"/> VOA <input type="checkbox"/> Cray. 1664A <input type="checkbox"/> Oil and Grease <input type="checkbox"/> IR(8015AZ) <input type="checkbox"/> Total Petroleum Hydrocarbons <input type="checkbox"/> PCBs <input type="checkbox"/> 8081 <input type="checkbox"/> Pesticides <input type="checkbox"/> HAAs <input type="checkbox"/> TTHMs <input type="checkbox"/> Volatile Organics <input type="checkbox"/> 625/8270 <input type="checkbox"/> Base Neutrals <input type="checkbox"/> 624/5242/8260 <input type="checkbox"/> Acids																9				30				Wet Ice				Blue Ice			
Indiada Water				DW				<input type="checkbox"/> I. Routine Report <input type="checkbox"/> II. Report (includes DUP, MS, MSD, as required, may be charged as samples) <input type="checkbox"/> III. Date Validation Report (includes All Raw Data) Add 10% to invoice																<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No				<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No											
PO Box 85160 Tucson 85754				DW				* LEGEND ST = STORMWATER SL = SOIL SD = SOLID SG = SLUDGE WW = WASTEWATER GW = GROUNDWATER DW = DRINKING WATER																Compliance Analysis: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No ADEQ Forms: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Mail ADEQ Forms: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No															
PHONE 623-5172 FAX 792-0377				DW				* Working Days Requested Report Date * Working Days																Signature Printed Name Firm Date/Time				Signature Printed Name Firm Date/Time											
SAMPLER'S SIGNATURE				DATE				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
1490 Loma Ln.				8-12-09 10:45A				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
5158 Calle Mateate				8-12-09 5:30A				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
5363 Calle Mateate				8-12-09 5:40A				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
5267 Calle Coro				8-12-09 4:50A				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
1221 Ramsey Canyon Rd.				8-12-09 6:30A				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
5517 Calle Pharo				8-12-09 8:15A				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
5500 Calle Pharo				8-12-09 8:30A				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
1269 Calle Coro				8-12-09 7:15A				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
1581 Calle Coro				8-12-09 10:45A				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
5574 Calle Enema				8-12-09 6:00A				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
RECEIVED BY:				DATE				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
Signature				DATE				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
Printed Name				DATE				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
Firm				DATE				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
Date/Time				DATE				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
8/14/09 13:05				8-14-09 13:05				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
Signature				DATE				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
Printed Name				DATE				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
Firm				DATE				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
Date/Time				DATE				RECEIVED BY:																RECEIVED BY:				RECEIVED BY:											
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**Arizona Department of Environmental Quality  
Drinking Water Lead and Copper Analysis Reporting Form**

>>>> System Information <<<<

PWS ID# 02-020

Elaine Byfield

Owner/Contact Person

PWS Name: Indiada Water

(520) 623-5172

Owner/Contact Phone Number

(520) 792-0377

Owner/Contact Fax Number

SAMPLE COLLECTION POINT/ID:

- ☐ Zone/Distribution  
☐ Other - Direct from source  
☐ Surface  
☐ Well

Contaminant  
 Action Level  
 Analysis Methods  
 Sample Type:

Lead (Pb)  
 0.015 mg/l  
 200.9

Copper (Cu)  
 1.3 mg/l  
 200.7

Sample Type:  
☐ Triennial (3YR) Compliance  
☐ Annual Compliance  
☐ 6 Month Initial Compliance

Specimen #	Collection Point	Sample Date	Analysis Completion Date	Lead (mg/L) (1030) Result	Analysis Completion Date	Copper (mg/L) (1022) Result
09H0626-01(8C)	5520 Calle Mano	08/17/2009	08/24/2009	0.0035	08/21/2009	0.15

Lab ID# AZ0066

90th % Calc:

I hereby certify that the information provided in this report is accurate and correct to the best of my knowledge.

Printed Name and Phone Number of Lab Contact: Terri L. Garcia, Technical Director

Phone # (520) 882-5880

Signature: *Terri L. Garcia*

Mail completed form to: ADEQ Water Quality Compliance Data Unit (MC 5415B-1), 1110 W. Washington St. Phoenix, AZ 85007.

For questions call: (602) 771-4513 or within AZ 1-800-234-5677 Ext. 4513. Fax: (602) 771-4505

Copies of this form are available at <http://www.azdeq.gov/function/forms/appswater.html#sdw>, scroll down to laboratory reporting forms and click on DWAR 8: DW Lead & Copper Analysis Report.

Revised: 8/2008

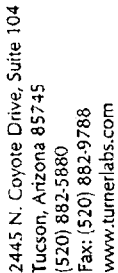
Turner Laboratories W.O. #: 09H0626

Delivered by: CLINT



1. Shipping container/cooler in good condition? ☒ Yes ☐ No ☐ Not Present
2. Custody seals intact on sample bottles? ☐ Yes ☐ No ☒ Not Present
3. Chain of custody present? ☒ Yes ☐ No
4. COC agrees with sample labels? ☒ Yes ☐ No
5. Samples in proper container/bottle? ☒ Yes ☐ No
6. Sample container intact? ☒ Yes ☐ No
7. Sufficient sample volume for requested tests? ☒ Yes ☐ No
8. Samples received within holding times? ☒ Yes ☐ No
9. VOA vials received with no headspace? ☐ Yes ☐ No ☒ No Vials
10. Bacti bottles received with appropriate headspace? ☐ Yes ☐ Above 100ml  
☒ Not Applicable ☐ Below 100ml

Additional Comments:



TURNER WORK ORDER # 0440626 DATE 1 PAGE 1 OF 1

**DISTRIBUTION:** WHITE - return to originator  
PINK - retained by originator  
See back of pink copy for general terms and conditions/limits of liability.



Arizona Department of Environmental Quality  
**Drinking Water Lead and Copper Analysis Reporting Form**

>>>> System Information <<<<

PWS ID# 02-020

PWS Name: Indiada Water

Keith Dojaquez

(520) 437-4613

(520) 792-0377

Owner/Contact Person

Owner/Contact Phone Number

Owner/Contact Fax Number

SAMPLE COLLECTION POINT/ID:

- ☐ Zone/Distribution  
☐ Other - Direct from source  
☐ Surface  
☐ Well

Contaminant

Lead (Pb)

Copper (Cu)

Action Level

0.015 mg/l

1.3 mg/l

Analysis Methods

200.9

200.7

Sample Type:

Sample Type:

- ☐ Triennial (3YR) Compliance  
☐ Annual Compliance  
☐ 6 Month Initial Compliance

Specimen #	Collection Point	Sample Date	Analysis Completion Date	Lead (mg/L) (1030) Result	Analysis Completion Date	Copper (mg/L) (1022) Result
10F0575-01(8C)	1490 Loma Ln	06/16/2010	07/14/2010	0.0035	06/22/2010	0.12
10F0575-02(8C)	5658 Calle Matate	06/16/2010	07/14/2010	ND	06/22/2010	0.048
10F0575-03(8C)	5429 Calle Matate	06/16/2010	07/14/2010	ND	06/22/2010	0.076
10F0575-04(8C)	5267 Calle Coro	06/16/2010	07/14/2010	ND	06/22/2010	0.12
10F0575-05(8C)	1221 Ramsey Canyon	06/17/2010	07/14/2010	ND	06/22/2010	ND
10F0575-06(8C)	5517 Calle Mano	06/16/2010	07/16/2010	ND	07/03/2010	ND
10F0575-07(8C)	1269 Calle Coro	06/16/2010	07/16/2010	0.0031	07/03/2010	0.12
10F0575-08(8C)	1531 Calle Coro	06/16/2010	07/16/2010	0.0035	07/03/2010	0.15
10F0575-09(8C)	5574 Calle Encina	06/16/2010	07/16/2010	0.0027	07/03/2010	0.13
10F0575-10(8C)	5520 Calle Mano	06/16/2010	07/16/2010	0.0034	07/03/2010	0.22

Lab ID# AZ0066

90th % Calc: \_\_\_\_\_

I hereby certify that the information provided in this report is accurate and correct to the best of my knowledge.

Printed Name and Phone Number of Lab Contact: Terri L. Garcia, Technical Director Phone # (520) 882-5880

Signature: *Terri L. Garcia*

Mail completed form to: ADEQ Water Quality Compliance Data Unit (MC 5415B-1), 1110 W. Washington St. Phoenix, AZ 85007.

For questions call: (602) 771-4513 or within AZ 1-800-234-5677 Ext. 4513. Fax: (602) 771-4505

Copies of this form are available at <http://www.azdeq.gov/function/forms/appswater.html#sdw>, scroll down to laboratory reporting forms and click on DWAR 8: DW Lead & Copper Analysis Report.

Revised: 8/2008

# CHAIN OF CUSTODY/LABORATORY ANALYSIS REQUEST FORM

TURNER WORK ORDER # 10F0575 DATE 6/16/10 PAGE 1 OF 1

PROJECT NAME: <u># 00-020</u> CONTACT NAME: <u>Keith Dominguez</u> COMPANY NAME: <u>Indiada Water Co.</u> ADDRESS: <u>P.O. Box 85160 Tucson, AZ 85754</u> SAMPLER'S SIGNATURE: _____ PHONE <u>603-5172</u> FAX _____				CIRCLE ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
NUMBER OF CONTAINERS				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
SAMPLE ID. DATE TIME LAB ID. SAMPLE MATRIX				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
1490 Loma Ln 6-16-10 0630 DW				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
5658 Calle Matate 6-16-10 0800				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
5421 Calle Matate 6-16-10 0506				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
5267 Calle Coro 6-16-10 0600				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
1221 Ramsey Canyon 6-17-10 0700				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
5517 Calle Mano 6-16-10 0600				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
1269 Calle Coro 6-16-10 0800				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
1531 Calle Coro 6-16-10 0400				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
5574 Calle Encina 6-16-10 0500				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
5520 Calle Mano 6-16-10 0540				ANALYSIS REQUESTED AND/OR CHECK THE APPROPRIATE BOX																			
1. RELINQUISHED BY: <u>Keith Dominguez</u> Signature: _____ Printed Name: <u>Keith Dominguez</u> Firm: <u>TURNER LABS</u> Date/Time: <u>6-18-10/01033</u>				2. RECEIVED BY: _____ Signature: _____ Printed Name: _____ Firm: _____ Date/Time: _____				TURNAROUND REQUIREMENTS: Standard (approx. 10 days)* Next Day 2 Day 5 Day* Email Preliminary Results To: _____ *Working Days				REPORT REQUIREMENTS: I. Routine Report II. Report (includes DUP, MS, MSD, as required, may be charged as samples) III. Date Validation Report (includes All Raw Data) Add 10% to invoice				INVOICE INFORMATION: Account: _____ Y _____ N P.O. # _____ Bill to: _____ Total Containers: <u>10</u> Temperature: <u>25</u> <input type="checkbox"/> Wet Ice <input type="checkbox"/> Blue Ice				SAMPLE RECEIPT: _____			
3. RELINQUISHED BY: _____ Signature: _____ Printed Name: _____ Firm: _____ Date/Time: _____				4. RECEIVED BY: <u>Stephen Lee</u> Signature: _____ Printed Name: <u>Stephen Lee</u> Firm: <u>TURNER LABORATORIES, INC.</u> Date/Time: <u>6/18/10 1035</u>				SPECIAL INSTRUCTIONS/COMMENTS: Compliance Analysis: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No ADEQ Forms: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Mail ADEQ Forms: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No * LEGEND DW = DRINKING WATER GW = GROUNDWATER SD = SOLID SG = SLUDGE SL = SOIL ST = STORMWATER WW = WASTEWATER															

# **EXHIBIT 6**

THIS entire bottom portion must be returned

ADEQ Federal Tax #866884791  
Invoice # 66307

Annual Sampling Fee Invoice

WATKINS, BOB PO BOX 85160		Owner Id #: 10118 MAP
TUCSON AZ 85754		Billing for Calendar Year: 2010
02020 - Watkins, Bob		Due Date: 12/11/2009

ANNUAL SAMPLING FEE WORKSHEET

ENTER  
NEW - 9 2009

Base Fee (all MAP systems)	\$	250.00
Fee per Connection in 2010	56 connections X \$ 2.57	\$ 143.92
Total Sampling Fee	\$	393.92
Plus Paid Interest Charges and/or Other Adjustments	\$	0.00
Plus Unpaid Interest Charges as of 10/27/2009	\$	0.00
Minus Payments Received and/or Other Adjustments	\$	0.00
Amount Due	\$	393.92
Amount received by ADEQ (Make check payable to State of Arizona)	\$	

\* A \$12 fee will be charged for any check not honored by the bank.

(Do not write below this line)

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE

\*

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

If you have any questions about your invoice, contact W. Scott Steinbagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner ID #: 10118	Invoice Number 66307
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02020
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due \$ 393.92
	Amount Paid \$

1 Keep the top portion for your records. 1

# **EXHIBIT 7**

Indiada Water - Monitoring Cycle/Costs per Test

Contaminant	Monitoring Cycle	# of tests per cycle	Cost per Test
Total Coliform	Monthly	1	\$ 25.00
TTHM	Yearly	3	110.00
HAA5	Yearly	3	155.00
Copper & Lead	Tri-Annually	5	33.00

# **EXHIBIT 8**



Turner Laboratories, Inc.

DATE: 10-Nov-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Indiada Water  
P.O. Box 85160  
Tucson, AZ 85160  
Attn: Keith Dojaquez

Phone: (520) 623-5172

Work Order: 0811237

PO Number:

Order Name

Date Received 11/5/2008

Invoice Number: 811237

Payment Due Date: 10-Dec-08

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 15-Dec-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Indiada Water  
P.O. Box 85160  
Tucson, AZ 85160  
Attn: Keith Dojaquez

Phone: (520) 623-5172

Work Order: 0812433

PO Number:

Order Name

Date Received 12/10/2008

Invoice Number: 812433

Payment Due Date: 14-Jan-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

### Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 12-Jan-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO: Indiada Water  
P.O. Box 85160  
Tucson, AZ 85160  
Attn: Keith Dojaquez

Phone: (520) 623-5172  
Work Order: 0901265  
PO Number:  
Order Name  
Date Received 1/8/2009

Invoice Number: 901265

Payment Due Date: 11-Feb-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	2	\$20.00	1	\$20.00	\$40.00

Order TOTAL: \$40.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$40.00

Payment Received: \$0.00

**INVOICE Total \$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 06-Feb-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Indiada Water  
P.O. Box 85160  
Tucson, AZ 85160  
Attn: Keith Dojaquez

Phone: (520) 623-5172

Work Order: 0901749

PO Number:

Order Name

Date Received 1/29/2009

Invoice Number: 901749

Payment Due Date: 08-Mar-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	5	\$20.00	1	\$20.00	\$100.00

Order TOTAL: \$100.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$100.00

Payment Received: \$0.00

**INVOICE Total \$100.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 24-Feb-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Indiada Water  
P.O. Box 85160  
Tucson, AZ 85160  
Attn: Keith Dojaquez

Phone: (520) 623-5172

Work Order: 0902617

PO Number:

Order Name

Date Received 2/19/2009

Invoice Number: 902617

Payment Due Date: 26-Mar-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	5	\$20.00	1	\$20.00	\$100.00

Order TOTAL: \$100.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

### Misc Comments

Subtotal: \$100.00

Payment Received: \$0.00

**INVOICE Total \$100.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 03/18/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
PO Box 85160  
Tucson, AZ 85754

Attn: Keith Dojaquez

Phone: (520) 437-4613  
Work Order: 09C0334  
PO Number:  
Received: 03/09/2009

Invoice Number: 09C0334

Payment Due Date: 04/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 04/09/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Keith Dojaquez  
PO Box 85160  
Tucson, AZ 85754

Invoice Number: 09D0242

Phone: (520) 437-4613  
Work Order: 09D0242  
PO Number:  
Received: 04/06/2009

Payment Due Date: 05/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: **\$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 05/13/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Keith Dojaquez  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09E0184

Phone: (520) 437-4613  
Work Order: 09E0184  
PO Number:  
Received: 05/05/2009

Payment Due Date: 06/12/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



Turner Laboratories, Inc.

Invoice Date: 06/09/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Keith Dojaquez  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09F0192

Phone: (520) 437-4613  
Work Order: 09F0192  
PO Number:  
Received: 06/02/2009

Payment Due Date: 07/09/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 07/16/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Keith Dojaquez  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09G0314

Phone: (520) 437-4613  
Work Order: 09G0314  
PO Number:  
Received: 07/07/2009

Payment Due Date: 08/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

**Invoice Total: \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 07/31/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09G0481

Phone: (520) 623-5172  
Work Order: 09G0481  
PO Number:  
Received: 07/14/2009

Payment Due Date: 09/01/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
TTHM by E524.2 [10 day]	Drinking Water	3	\$150.00	\$450.00
Haloacetic Acids by 552.2 [10 day]	Drinking Water	3	\$155.00	\$465.00

**Invoice Total: \$915.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 08/12/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 20-020

Invoice Number: 09H0275

Phone: (520) 623-5172  
Work Order: 09H0275  
PO Number:  
Received: 08/05/2009

Payment Due Date: 09/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 08/27/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 20-020

Invoice Number: 09H0626

Phone: (520) 623-5172  
Work Order: 09H0626  
PO Number:  
Received: 08/18/2009

Payment Due Date: 09/28/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Cu/Pb Testing [10 day]	Drinking Water	1	\$33.00	\$33.00

**Invoice Total: \$33.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 09/11/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 20-020

Invoice Number: 09H0566

Phone: (520) 623-5172  
Work Order: 09H0566  
PO Number:  
Received: 08/14/2009

Payment Due Date: 10/12/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Cu/Pb Testing [10 day]	Drinking Water	9	\$33.00	\$297.00

Invoice Total: **\$297.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 11/11/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Accounts Payable  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 20-020

Invoice Number: 09K0267

Payment Due Date: 12/11/2009

Phone: (520) 437-4613  
Work Order: 09K0267  
PO Number:  
Received: 11/04/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

**Invoice Total: \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 12/08/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

# INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Accounts Payable  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 20-020

Invoice Number: 09L0176

Phone: (520) 437-4613  
Work Order: 09L0176  
PO Number:  
Received: 12/02/2009

Payment Due Date: 01/07/2010

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.





ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE



Pursuant to A.R.S. § 49-113, invoice will be charged if full payment is not received by the specified due date. If you dispute the amount billed, please contact ADQP as soon as possible. To reduce potential costs on an unpaid invoice, you may remit an amount that you believe is equitable. However, if nonpayment is due to unpaid neglect, you may suffer an additional five percent penalty or up to twenty five percent of the amount due for each month or fraction of a month that amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems."

Owner Id #: 10118	Invoice Number 66307
To: WATKINS, BOB PO BOX 85180 TUCSON AZ 85754	Public Water System ID #: 02020
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due \$ 393.92
	Amount Paid \$

† Keep the top portion for your records. †

## Annual Sampling Fee Invoice

ADEQ Federal Tax #866004791

Invoice # 66307

WATKINS, BOB  
PO BOX 85160

TUCSON AZ 85754

02020 - Watkins, Bob

Owner Id #:	10118	MAP
Billing for Calendar Year:	2010	
Due Date:	12/11/2009	

## ANNUAL SAMPLING FEE WORKSHEET IDW

ENTER  
NOV - 9 2009

Base Fee (all MAP systems)	\$	250.00
Fee per Connection in 2010	56 connections X \$ 2.57	\$ 143.92
Total Sampling Fee	\$	393.92
Plus Paid Interest Charges and/or Other Adjustments	\$	0.00
Plus Unpaid Interest Charges as of 10/27/2009	\$	0.00
Minus Payments Received and/or Other Adjustments	\$	0.00
Amount Due	\$	393.92
Amount received by ADEQ (Make check payable to State of Arizona)	\$	

\* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:

NOV 10 2009  
WMXG

ORIGINAL

1 Steve Wene, State Bar No. 019630  
2 MOYES SELLERS & SIMS LTD.  
3 1850 N. Central Ave., Suite 1100  
4 Phoenix, Arizona 85004  
5 Telephone: 602-604-2141  
6 swene@lawms.com

RECEIVED

2010 AUG 30 P 1:13

AZ CORP COMMISSION  
DOCKET CONTROL

BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

10 KRISTIN K. MAYES, CHAIRMAN  
11 GARY PIERCE  
12 PAUL NEWMAN  
13 SANDRA D. KENNEDY  
14 BOB STUMP

Arizona Corporation Commission

DOCKETED

AUG 30 2010

DOCKETED BY

*KAG*

EXHIBIT

A-4

ADMITTED

15 **CONSOLIDATED APPLICATION OF**  
16 **EAST SLOPE WATER COMPANY,**  
17 **INC.; INDIADA WATER COMPANY,**  
18 **INC.; and ANTELOPE RUN WATER**  
19 **COMPANY FOR AN PERMANENT**  
20 **INCREASE IN ITS WATER RATES**

Docket Nos. W-01906A-10-0171  
W-02031A-10-0171  
W-02327A-10-0171

**AMENDED CONSOLIDATED  
RATE APPLICATION**

21  
22 The East Slope Water Company, Indiada Water Company, and Antelope Run  
23 Water Company ("Companies" or "Applicants"), hereby submit this consolidated rate  
24 application for an increase in water rates. This application is being amended at the  
25 request of the Arizona Corporation Commission Staff ("Staff") and is being filed in  
26 conjunction with applications separately filed by each of the Companies in Docket Nos.  
27 W-02327A-10-0168, W-02327A-10-0169, and W-02327A-10-0170, respectively. Those  
28

1 applications have been assembled for comparative purposes per Staff's request. It is the  
2 desire of the ownership that the Companies be consolidated for rate setting, financing,  
3 and regulatory purposes. This new entity would be structured as a Class C water  
4 company.  
5

## 6 **SUPPORTING DOCUMENTATION**

7  
8 Pursuant to A.A.R. Rule 14-2-103, the Company submits the following  
9 documentation in support of the proposed increase in rates and charges:

- 10 • Direct Testimony of Sonn S. Rowell (see Exhibit 1);
- 11 • Required Schedules, Statements, and Documentation (see Exhibit 2);
- 12 • Water Use Data Sheets (see Exhibit 3 (previously provided));
- 13 • Plant Descriptions (see Exhibit 4 (previously provided));
- 14 • ADEQ Compliance Status Report (see Exhibit 5 (previously provided));
- 15 • Monitoring Assistance Program Sampling Fee Invoice (see Exhibit 6 (previously  
16 provided));
- 17 • Water Quality Testing Information (see Exhibit 7);
- 18 • Water Quality Testing Invoices (see Exhibit 8); and
- 19 • All Water Bills for Usage Exceeding 100,000 gallons (see Exhibit 9).

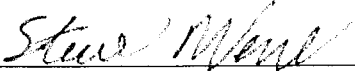
20  
21  
22  
23 As previously discussed with Staff's legal counsel, the public notice for this application  
24 will be provided by the Company pursuant to hearing officer order once the hearing is  
25 set.  
26

27 ////

28 ////

1 RESPECTFULLY SUBMITTED this 30<sup>th</sup> day of August, 2010.

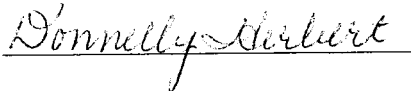
2  
3 MOYES SELLERS & SIMS

4 

5 Steve Wene  
6 Attorneys for the Companies  
7  
8  
9

10 Original and 15 copies of the foregoing  
11 filed this 30<sup>th</sup> day of August, 2010, with:

12 Docket Control  
13 Arizona Corporation Commission  
14 1200 West Washington  
15 Phoenix, Arizona 85007

16   
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

# **EXHIBIT 1**

1                                   **BEFORE THE ARIZONA CORPORATION COMMISSION**

2  
3                   **COMMISSIONERS**

4           KRISTIN K. MAYES, CHAIRMAN  
5           GARY PIERCE  
6           PAUL NEWMAN  
7           SANDRA D. KENNEDY  
8           BOB STUMP

9           **CONSOLIDATED APPLICATION OF**  
10          **EAST SLOPE WATER COMPANY,**  
11          **INC.; INDIADA WATER COMPANY,**  
12          **INC.; and ANTELOPE RUN WATER**  
13          **COMPANY FOR AN PERMANENT**  
14          **INCREASE IN ITS WATER RATES**

**DIRECT TESTIMONY OF**  
                  **SONN S. ROWELL**

15          **Q-1    Please state your name and current employment position:**

16          **A-1    My name is Sonn S. Rowell, and I am a Certified Public Accountant and a**  
17          managing member of Desert Mountain Analytical Services, PLLC ("DMAS").

18          **Q-2    Describe your educational and professional background:**

19          **A-2    I hold a Bachelor of Science Degree in Accounting from Arizona State University,**  
20          as well as my CPA certification from the Arizona State Board of Accountancy. I have  
21          worked for many years in the practice of public accounting and regulatory consulting,  
22          and have held part-time accountancy teaching positions at Mesa Community College.  
23          After employment with the Accounting and Rates Section of the Utilities Division at the  
24          Arizona Corporation Commission for four years, I started DMAS and now specialize in  
25          regulatory accounting and consulting.  
26  
27  
28

1  
2 **Q-3 By whom are you employed and in what capacity?**

3  
4 **A-3** I have been retained by the owners of Indiada Water Company, Inc. ("Indiada"),  
5 Antelope Run Water Company ("Antelope"), and East Slope Water Company ("East  
6 Slope"), (collectively "ESARIN"), as well as the management company that operates all  
7 three utilities, Southwestern Utility Management, Inc. ("SUM") to prepare a consolidated  
8 rate and finance application for submittal to the Arizona Corporation Commission.  
9

10 **Q-4 What is the purpose of your testimony?**

11 **A-4** The purpose of my testimony is to present my analysis and recommendations  
12 concerning the development of the ESARIN's gross revenue requirement, taking into  
13 account adjusted rate base, adjusted operating income, working capital requirements,  
14 current rate of return, required operating income, required rate of return for the historic  
15 twelve month period, and other relevant factors to sponsor certain exhibits in support of  
16 the rate and finance applications for the consolidated entity.  
17  
18

19 **Q-5 Please summarize the Company proposal.**

20  
21 **A-5** ESARIN is seeking an increase in gross revenue of approximately \$470,029, or a  
22 rate increase of approximately 165.45%, for its customers to pay for increased  
23 operational expenses and needed improvements that will be funded with the proposed  
24 loan from the Water Infrastructure Finance Authority ("WIFA").  
25

26 **Q-6 What is the basis for your recommendation?**

27 **A-6** I analyzed the Companies records to determine the adjusted revenues and  
28 expenses during the test year ending December 31, 2009. Next, I calculated a reasonable



1 revenue requirement in order to ensure the Companies can earn sufficient revenue to pay  
2 ongoing operating expenses, the debt service on the proposed WIFA loan, and provide  
3 adequate and reliable water service to its customers. Based upon my analysis, I have  
4 prepared the schedules in accordance with A.A.C. Rule 14-2-103 that are set forth in  
5 Application Exhibit 2, which I adopt as part of my testimony.  
6

7 **Q-7 Please identify and explain the adjustments made on Schedule C-1 – Adjusted**  
8 **Test Year Income Statement of this application.**  
9

10 **A-7** Adjustment A removes \$1,437 of Antelope's metered water revenue, which was  
11 purchased by Indiada. This would be considered a non-recurring expense due to the  
12 proposed consolidation of the Companies, and the revenue requirement should not  
13 include this amount.  
14

15 Adjustment B was made to reduce surcharge revenue by \$14,517 to eliminate the  
16 revenue generated by the emergency surcharge in all three entities, which will be  
17 discontinued at the inception of new rates.  
18

19 **Q-8 Please explain Adjustments C, D, and E.**  
20

21 **A-8** Adjustment C removes \$1,700 of purchased water expense incurred by Indiada  
22 when it purchased water from Antelope. This would be considered a non-recurring  
23 expense due to the proposed consolidation of the Companies, and the revenue  
24 requirement should not include this amount.  
25

26 Adjustment D removes \$433 of purchased power expense incurred prior to the test year.

27 Adjustment E removes \$70 of expenses prior to the test year, and adds back \$90 of  
28 expenses related to December of 2009.

1  
2 **Q-9 Please explain Adjustments F, G, and H.**

3  
4 **A-9** Adjustment F, as reflected on Schedule C-2a removes office related expenses that  
5 appeared on the general ledger prior to the test year, and added expenses incurred during  
6 the test year but were recorded in the general ledger subsequent to it.

7  
8 Schedule C-2b depicts Adjustment G to Outside Services. Part of this adjustment  
9 normalizes accounting expenses for the test year, but the major portion of Adjustment G  
10 removes management fees recorded in the general ledger and replaces them per the  
11 calculation at the bottom of Schedule C-2b. Due to the dire financial situation of this  
12 company, SUM has been charging a reduced rate for its services. However, this is a  
13 temporary arrangement, and the correct amount must be included in the proposed revenue  
14 requirement. In addition, the consolidated will result in savings in management fees as  
15 the customer count for both Indiada and Antelope will be added to that of East Slope and  
16 charged at the lowest cost rate instead of the highest cost rate.

17  
18 Adjustment H is calculated on Schedule C-2c, and is similar in purpose to Adjustment F.  
19

20  
21 **Q-10 Please explain Adjustment I.**

22 **A-10** Adjustment I removes \$74 of expense related to workers compensation insurance  
23 the utility carried when it had employees. Due to the management contract with SUM  
24 now in place, this amount will not recur.  
25

26 **Q-11 How did you determine the amount of proposed rate case expense?**

27 **A-11** My estimate for Adjustment J is detailed in the following table. The current test  
28 year amount includes amounts paid for the 2009 emergency rate case.

Test Year Expense	\$4,618
Estimated Rate Case Expense	\$40,000
Subtotal	\$44,618
Recovery period	3
Annual recovery amount	\$14,873
Adjustment amount	\$10,255

**Q-12 Please explain how you calculated Adjustment K to depreciation expense.**

**A-12** Schedule C-2d begins with consolidated plant in service at the end of the test year, and applies depreciation rates normally recommended by Staff, resulting in proposed depreciation expense for the consolidated entity of \$49,729, or an increase of \$23,376 over test year actual expense of \$27,353.

**Q-13 Please explain Adjustments L and M on Schedule C-1.**

**A-13** Adjustment L adjusts payroll taxes (Account 408) by \$1,127 to remove negative payroll tax expense from when the utility had employees. Like Adjustment I, since a management contract with SUM now in place, this amount will not recur.

Adjustment M removes property tax expense that is outside the current test year, as well as a small amount of late payment penalties.

**Q-14 Please explain Adjustment N to Income Tax Expense.**

**A-14** ESARIN's application has been assembled with the consolidated utility structured as a C-Corp, and as a result, income tax expense must be recovered in rates. The calculation to determine adjusted test year income tax expense is detailed on Schedule C-2e, and is negative due to the adjusted test year resulting in a net loss.

1 **Q-15 Please explain the increase to interest expense of \$147,965 as reflected by**  
2 **Adjustment O.**

3  
4 **A-15** The \$147,965 of interest expense represents the entire share of interest on the  
5 proposed \$3,000,000 WIFA loan to improve all three commonly owned systems  
6 proposed to be consolidated. The WIFA loan is estimated to be \$3,000,000, and the  
7 interest amount is calculated at the loan amount amortized at 5% over a 20-year period.  
8

9 **Q-16 How was Adjustment P determined?**

10 **A-16** Adjustment P increased consolidated metered water revenue from the adjusted test  
11 year amount of \$280,359, by \$470,029 to \$750,388 for ESARIN, per the calculation set  
12 forth on Schedule A-1.  
13

14 **Q-17 Please explain Adjustment Q.**

15 **A-17** Adjustment Q is detailed on Schedule C-2f, and calculated proposed income tax  
16 expense based upon the proposed revenue and expenses.  
17

18 **Q-18 Please summarize your rate design for ESARIN.**

19 **A-18** The bill count for ESARIN was created by summing the bill counts for each meter  
20 size and customer class of the three individual utilities. ESARIN currently has customers  
21 on four meter sizes: 5/8 by 3/4 inch, 1 inch, 1.5 inch and 2 inch. There are both residential  
22 and commercial customers on the 5/8 by 3/4, 1 inch, and 1.5 inch meters. All of the 2 inch  
23 customers are commercial customers. The proposed rates for ESARIN were designed to  
24 recover the metered water revenue requirement of \$750,388.  
25  
26

27 The monthly minimums were set using the standard meter size multipliers such  
28 that the minimum charge for the 1 inch meters is 2.5 times that of the 5/8 by 3/4 inch

1 meters, the minimum charge for the 1.5 inch meters is 5 times that of the 5/8 by 3/4 inch  
2 meters and the minimum charge of the 2 inch meters is 8 times that of the 5/8 by 3/4 inch  
3 meters.  
4

5       Commodity rates for the 5/8 by 3/4 inch meters have three tiers. The second tier  
6 commodity rate equals 1.8 times the first tier rate and the third tier rate equals 1.8 times  
7 the second tier rate. The tier breaks are set at 3,000 and 10,000 gallons.  
8

9       Commodity rates for the 1 inch meters have two tiers and equal the first two tier  
10 rates for the 5/8 by 3/4 inch meters. The tier break is set at 10,000 gallons. This level of  
11 tier break was selected in order to maximize the conservation benefit of the tiered rate  
12 structure.  
13

14       Commodity rates for the 1.5 inch meters have two tiers and equal the first two tier  
15 rates for the 5/8 by 3/4 inch meters. The tier break is set at 20,000 gallons. This level of  
16 tier break was selected in order to maximize the conservation benefit of the tiered rate  
17 structure.  
18

19       Commodity rates for the 2 inch meters have two tiers and equal the first two tier  
20 rates for the 5/8 by 3/4 inch meters. The tier break is set at 20,000 gallons. This level of  
21 tier break was selected in order to maximize the conservation benefit of the tiered rate  
22 structure.  
23

24  
25 **Q-19 Please Illustrate the effects of consolidation by comparing the median 5/8 by**  
26 **3/4 inch residential bills of each company to both the non-consolidated and the**  
27 **consolidated proposed rates.**  
28

**A-19** The comparison is set forth in the following tables:

1 **Indiada**

2

		Unconsolidated		Consolidated	
Median Gallons	Current Bill (Including Surcharge)	Bill Under Proposed Rates	Percent Increase	Bill Under Proposed Rates	Percent Increase
5,260	\$37.74	\$61.81	63.79%	\$35.00	-7.25%

3  
4  
5

6 **Antelope Run**

7

		Unconsolidated		Consolidated	
Median Gallons	Current Bill (Including Surcharge)	Bill Under Proposed Rates	Percent Increase	Bill Under Proposed Rates	Percent Increase
6,900	\$23.98	\$43.45	81.19%	\$41.28	72.14%

8  
9  
10

11 **East Slope**

12

		Unconsolidated		Consolidated	
Median Gallons	Current Bill (Including Surcharge)	Bill Under Proposed Rates	Percent Increase	Bill Under Proposed Rates	Percent Increase
5,330	\$22.29	\$33.07	48.35%	\$35.27	58.21%

13  
14  
15

16 **Q-20 Is there anything else you would like to add?**

17 **A-20** Yes. A consolidated application including historical financial information and has  
18 been assembled for ESARIN for comparative purposes per Staff's request. This  
19 application provides consolidated financial analysis for ESARIN, as well as consolidated  
20 proposed rates. It is the desire of the ownership the ESARIN entities they into one entity.  
21 This new entity would be structured as a C-Corp, and includes a gross up for income tax  
22 recovery.  
23  
24

25 **Q-21 Does this conclude your testimony?**

26 **A-21** Yes.  
27  
28

# **EXHIBIT 2**

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule A-1  
Title: Computation of Increase in Gross  
Revenue Requirements

Explanation:  
Schedule showing computation of increase in  
gross revenue requirements and spread of revenue  
increase by customer classification.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Special Reqmt ☐

	Original Cost	RCND	
1. Adjusted Rate Base	\$ 274,479 (a)		(a)
2. Adjusted Operating Income	\$ (35,013) (b)		(b)
3. Current Rate of Return	-12.76%		
4. Required Operating Income	\$ 32,937		
5. Required Rate of Return	12.00%		
6. Operating Income Deficiency (4 - 2)	\$ 67,950		
7. Gross Revenue Conversion Factor	1.4158 (c)		(c)
8. Increase in Gross Revenue Requirements (6 x 7)	\$ 96,202		
9. Proposed Revenue	\$ 754,112		
10. Required Operating Margin	39.38%		
11. Required Operating Income (9 x 10)	\$ 296,981		
12. Operating Income Deficiency (11 - 2)	\$ 331,994		
13. Gross Revenue Conversion Factor	1.4158		
14. Increase in Gross Revenue Requirements (12 x 13)	\$ 470,029		

Customer Classification	Adjusted Revenue at Present Rates	Revenue at Proposed Rates	Dollar Increase	Percent Increase	
Residential	\$ 264,098	\$ 694,827	\$ 430,729	163.09%	(d)
Commercial	16,261	55,561	39,300	241.68%	
Industrial	-	-	-	0.00%	
Other	3,724	3,724	-	0.00%	
<b>Totals</b>	<b>\$ 284,083</b>	<b>\$ 754,112</b>	<b>\$ 470,029</b>	<b>165.45%</b>	

Note: For combination utilities, the above information should be presented in total and by department.

Supporting Schedules:

(a) B-1 (c) C-3

(b) C-1 (d) H-1



**East Slope/Antelope Run/Indiada**  
**Test Year Ended December 31, 2009**

**Schedule A-2**  
**Title: Summary Results of Operations**

Explanation:  
 Schedule showing comparative operating results for  
 the test year and the 2 fiscal years ended prior to the  
 end of the test year, compared with the projected year.

Required for: All Utilities ☒  
 Class A ☐  
 Class B ☐  
 Class C ☐  
 Class D ☐  
 Spec'l Reqmt ☐

Description	<u>Prior Years</u>		<u>Test Year</u>		<u>Projected Year</u>	
	Year End	Year End	Actual	Adjusted	Present	Proposed
	31-Dec-07	31-Dec-08	Rates	Rates	Rates	Rates
	(a)	(a)	(a)	(b)	(c)	(c)
1. Gross Revenues	\$ 288,330	\$ 264,265	\$ 300,037	\$ 284,083	\$ 284,083	\$ 754,112
2. Revenue Deductions & Operating Expenses	(300,335)	(288,717)	(325,223)	(319,096)	(319,096)	(457,131)
3. Operating Income	\$ (12,005)	\$ (24,452)	\$ (25,186)	\$ (35,013)	\$ (35,013)	\$ 296,981
4. Other Income and Deductions	3,300	10,373	-	-	-	-
5. Interest Expense	(14,529)	(10,742)	(1,544)	(149,509)	(149,509)	(149,509)
6. Net Income	<u>\$ (23,234)</u>	<u>\$ (24,821)</u>	<u>\$ (26,730)</u>	<u>\$ (184,521)</u>	<u>\$ (184,521)</u>	<u>\$ 147,473</u>
7. Earned Per Average Common Share*	\$ (4.65)	\$ (4.96)	\$ (5.35)	\$ (36.90)		
8. Dividends Per Common Share*	-	-	-	-		
9. Payout Ratio*	0.00%	0.00%	0.00%	0.00%		
10. Return on Average Invested Capital	-16.14%	-16.44%	-17.26%	-119.18%	-119.18%	95.25%
11. Return on Year End Capital	-16.14%	-15.71%	-17.63%	-121.70%	-121.70%	97.27%
12. Return on Average Common Equity	Negative Equity					
13. Return on Year End Common Equity						
14. Times Bond Interest Earned - Before Inc Tax	-88.91%	-227.63%	-1144.11%	-60.31%	-60.31%	254.07%
15. Times Total Interest and Preferred Dividends Earned - After Income Taxes	-59.91%	-131.06%	-1631.22%	-23.42%	-23.42%	198.64%

Supporting Schedules:

- (a) E-2
- (b) C-1
- (c) F-1

\*Optional for projected year

**East Slope/Antelope Run/Indiada**  
**Test Year Ended December 31, 2009**

**Schedule A-4**  
**Title: Construction Expenditures and**  
**Gross Utility Plant in Service**

**Explanation:**  
 Schedule showing construction expenditures, plant placed in service and gross utility plant in service for the test year and the 2 fiscal years ended prior to the end of the test year, compared with the projected year.

Required for: All Utilities ☒  
 Class A ☐  
 Class B ☐  
 Class C ☐  
 Class D ☐  
 Specd Reqmt ☐

<b>Year</b>	<b>Construction Expenditures (a)</b>	<b>Net Plant Placed In Service (b)</b>	<b>Gross Utility Plant In Service</b>
1. Prior Year 1 - 2007	\$ 48,500	\$ 48,500	\$ 689,871
2. Prior Year 2 - 2008	61,478	61,478	751,349
3. Test Year - 2009	37,257	34,403	785,752
4. Projected Year 1	3,000,000	3,002,854	3,788,606
5. Projected *			
6. Projected *			

\* Required only for Class A and B Utilities

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) F-3

(b) E-5

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule B-1  
Title: Summary of Original Cost  
and RCND

Explanation:  
Schedule showing elements of adjusted original cost  
and RCND rate bases.

Required for: All Utilities	<input checked="checked" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Spec'l Reqmt	<input type="checkbox"/>

	Original Cost Rate Base*	RCND Rate Base*
1. Gross Utility Plant in Service	\$ 785,752	
2. Less: Accumulated Depreciation	(477,224)	
3. Net Utility Plant in Service	\$ 308,527 (a)	(b)
Less:		
4. Advances in Aid of Construction	66,818 (c)	(c)
5. Contributions in Aid of Construction	- (c)	(c)
Add:		
6. Allowance for Working Capital	32,770 (d)	(d)
7. Total Rate Base	<u>\$ 274,479 (e)</u>	(e)

\* Including pro forma adjustments

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:

(a) B-2 (d) B-5

(b) B-3

(c) E-1

Recap Schedules:

(e) A-1

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

**Schedule B-2**  
**Title: Original Cost Rate Base**  
**Proforma Adjustments**

Explanation:  
Schedule showing pro forma adjustments to gross plant  
in service and accumulated depreciation for the original  
cost rate base.

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

	<u>Actual at End</u> <u>Of Test Year (a)</u>	<u>Pro forma</u> <u>Adjustment</u>	<u>Adjusted at End</u> <u>Of Test Year (b)</u>
1. Gross Utility Plant in Service	\$ 785,752		\$ 785,752
2. Less: Accumulated Depreciation	(477,224)		(477,224)
3. Net Utility Plant in Service	<u>\$ 308,527</u>	<u>\$ -</u>	<u>\$ 308,527</u>

*All pro forma adjustments should be adequately explained on this schedule or on attachments hereto.*

NOTE: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-1

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule B-5  
Title: Computation of Working  
Capital

Explanation:  
Schedule showing computation of working capital allowance.

Required for: All Utilities	<input checked="" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Speci Reqmt	<input type="checkbox"/>

	<u>Amount</u>	
1. Cash working capital		
1/24th Purchased Power	\$ 2,995	
1/24th Purchased Water	-	
1/8th Operation & Maintenance Expense	29,775	
2. Materials and Supplies Inventories	-	(a)
3. Prepayments	-	(a)
4. Total Working Capital Allowance	<u>\$ 32,770</u>	(b)

NOTES:

1. Adequate detail should be provided to determine the bases for the above computations.
2. Adjusted test year operating expenses should be used in computing cash working capital requirements.
3. Combination utilities should compute working capital allowances for each department.

Supporting Schedules:  
(a) E-1

Recap Schedules:  
(b) B-1

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule C-1  
Title: Adjusted Test Year Income  
Statement

Explanation:  
Schedule showing statement of income for the test year,  
including pro forma adjustments.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

Description	Actual for Test Year Ended (a) 31-Dec-09	Ref	Proforma Adjustments (b)	Test Year Results After Pro Forma Adjustments	Ref	Proposed Rate Increase	Adjusted Test Year With Rate Increase
<b>Operating Revenues:</b>							
461 Metered Water Revenue	\$ 281,796	A	\$ (1,437)	\$ 280,359	P	\$ 470,029	\$ 750,388
461.1 Surcharge Revenue	14,517	B	(14,517)	-			
474 Other Water Revenue	3,724		-	3,724			3,724
<b>Total Operating Revenue</b>	<b>\$ 300,037</b>		<b>\$ (15,954)</b>	<b>\$ 284,083</b>		<b>\$ 470,029</b>	<b>\$ 754,112</b>
<b>Operating Expenses:</b>							
601 Salaries & Wages	\$ -		\$ -	\$ -			\$ -
610 Purchased Water	1,700	C	(1,700)	-			-
615 Purchased Power	72,314	D	(433)	71,881			71,881
618 Chemicals	792		-	792			792
620 Repairs & Maintenance	16,143	E	20	16,163			16,163
621 Office Supplies and Expense	12,202	F	(179)	12,023			12,023
630 Outside Services	127,734	G	30,304	158,038			158,038
635 Water Testing	8,008		-	8,008			8,008
641 Rental Expense	-		-	-			-
650 Transportation Expense	21,419	H	386	21,805			21,805
657 Insurance - General Liability	6,565	I	(74)	6,491			6,491
659 Insurance - Health and Life	-		-	-			-
666 Rate Case Expense	4,618	J	10,255	14,873			14,873
675 Miscellaneous Expense	5		-	5			5
403 Depreciation & Amortization	27,353	K	22,376	49,729			49,729
408 Taxes Other Than Income	(1,127)	L	1,127	-			-
408.11 Property Taxes	19,976	M	(5,530)	14,446			14,446
409 Income Taxes	7,521	N	(62,679)	(55,158)	Q	138,035	82,877
<b>Total Operating Expenses</b>	<b>\$ 325,223</b>		<b>\$ (6,127)</b>	<b>\$ 319,096</b>		<b>\$ 138,035</b>	<b>\$ 457,131</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (25,186)</b>		<b>\$ (9,827)</b>	<b>\$ (35,013)</b>	<b>(c)</b>	<b>\$ 331,994</b>	<b>\$ 296,981</b>
<b>Other Income/(Expense):</b>							
419 Interest Income	\$ -		\$ -	\$ -			\$ -
421 Non-Utility Income	-		-	-			-
426 Miscellaneous Non-Utility Expenses	-		-	-			-
427 Interest Expense	(1,544)	O	(147,965)	(149,509)			(149,509)
<b>Total Other Income/(Expense)</b>	<b>\$ (1,544)</b>		<b>\$ (147,965)</b>	<b>\$ (149,509)</b>		<b>\$ -</b>	<b>\$ (149,509)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (26,730)</b>		<b>\$ (157,791)</b>	<b>\$ (184,521)</b>		<b>\$ 331,994</b>	<b>\$ 147,473</b>

Note: For combination utilities, above information should be presented in total and by department.  
Actual Test Year amounts are transferred from Schedule C-1a.

Supporting Schedules:  
(a) E-2  
(b) C-2

Recap Schedules:  
(c) A-1

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule C-2  
Title: Income Statement Proforma  
Adjustments  
Page 1 of 2

Required for: All Utilities

X					
Class A					
Class B					
Class C					
Class D					
Spec Reqmt					

Explanation:  
Schedule itemizing pro forma adjustments to the test year income statement.

Description	A	B	C	D	E	F	G	H	I	Total
Revenues:										
Metered Water Revenue	\$ (1,437)									\$ (1,437)
Surcharge Revenue		\$ (14,517)								(14,517)
Expenses:										
Purchased Water			\$ (1,700)							\$ (1,700)
Purchased Power				\$ (433)						(433)
Repairs & Maintenance					\$ 20					20
Office Supplies and Expense						\$ (179)				(179)
Outside Services							\$ 30,304			30,304
Transportation Expense								\$ 386		386
Insurance - General Liability									\$ (74)	(74)

Adjustment Descriptions:

- A - Remove intercompany water sales for Antelope Run during the test year to Indiada by a 2-inch meter.
- B - Remove surcharge revenues from the test year as they are temporary, and will not be included in the proposed consolidated rates.
- C - Remove intercompany purchased water expense to Indiada from Antelope Run.
- D - Remove expense prior to test year.
- E - Adjust expense to exclude expense prior to test year (\$70), and include test year expense of \$90 for December 2009.
- F - Adjust office supplies and expense per calculation on Schedule C-2a.
- G - Adjust outside services expense per calculation on Schedule C-2b.
- H - Adjust transportation expense per calculation on Schedule C-2c.
- I - Remove workers compensation insurance expenses that will not recur as a result of management contract.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:  
C-2a through C-2c

Recap Schedules:  
(a) C-1

Explanation:  
Schedule itemizing pro forma adjustments to the test year income statement.

Description	J	K	L	M	N	O	P	Q	Total this page	Total prev page	Total (a) Adjustments
Revenues:											
Metered Water Revenue							\$ 470,029		\$ 470,029	\$ (1,437)	\$ 468,592
Surcharge Revenue							-		-	(14,517)	(14,517)
Expenses:											
Purchased Water									\$ -	\$ (1,700)	\$ (1,700)
Purchased Power									-	(433)	(433)
Repairs & Maintenance									-	20	20
Office Supplies and Expense									-	(179)	(179)
Outside Services									-	30,304	30,304
Transportation Expense									-	386	386
Insurance - General Liability									-	(74)	(74)
Rate Case Expense	\$ 10,255								10,255	-	10,255
Depreciation & Amortization		\$ 22,376							22,376	-	22,376
Taxes Other Than Income			\$ 1,127						1,127	-	1,127
Property Taxes				\$ (5,530)					(5,530)	-	(5,530)
Income Taxes					\$ (62,679)			\$ 138,035	75,356	-	75,356
Other Income/(Expense):						\$ (147,965)			(147,965)	-	(147,965)
Interest Expense											

Adjustment Descriptions:

J - Increase rate case expense to recover \$4,618 of costs incurred for the 2009 emergency rate cases, and estimated costs of \$40,000 for the consolidated cases (\$44,618), amortized over a three year period (\$44,618/3 = \$14,873 per year).

K - Increase depreciation expense based upon proposed depreciation rates per schedule C-2d.

L - Adjust for payroll tax expenses that will not recur due to management contract.

M - Remove property tax expense outside the current test year.

N - Adjust test year income tax expense per Schedule C-2e.

O - Increase expense to include proforma interest expense on the proposed consolidated WIFA loan.

P - Increase metered water revenue per calculation on Schedule A-1.

Q - Increase income taxes for proposed rates per calculation on Schedule C-2f.

Note: All pro forma adjustments should be adequately explained on this schedule or on attachments thereto.

Supporting Schedules:  
C-2d through C-2f

Recap Schedules:  
(a) C-1



East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule C-2a  
Title: Income Statement Proforma  
Adjustments

DETAIL OF PROPOSED OFFICE SUPPLIES AND EXPENSE ADJUSTMENT

Description	Amount
November 2008 billing forms	\$ (27)
November 2008 billing forms	(6)
November 2008 billing forms	(2)
November 2008 postage	(211)
November 2008 postage	(45)
November 2008 postage	(15)
December 2008 billing forms	(27)
December 2008 billing forms	(6)
December 2008 billing forms	(2)
December 2008 postage	(213)
December 2008 postage	(45)
December 2008 postage	(15)
November 2009 billing forms	2
November 2009 postage	59
December 2009 billing forms	26
December 2009 billing forms	6
December 2009 billing forms	2
December 2009 postage	267
December 2009 postage	54
December 2009 postage	19
Total Adjustment F	\$ (179)

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule C-2b  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED OUTSIDE SERVICES EXPENSE ADJUSTMENT**

Description	Amount
Other November 2008 services	\$ (472)
December 2008 accounting	(130)
December 2008 accounting	(195)
December 2008 accounting	(130)
November 2009 accounting	130
December 2009 accounting	130
December 2009 accounting	130
December 2009 accounting	195
Remove test year management fees expense per general ledger - Indiada	(5,602)
Remove test year management fees expense per general ledger - Antelope Run	(18,528)
Remove test year management fees expense per general ledger - East Slope	(87,926)
Proforma management fees expense - Consolidated	<u>142,702</u>
Total Adjustment G	<u>\$ 30,304</u>

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule C-2c  
Title: Income Statement Proforma  
Adjustments

DETAIL OF PROPOSED TRANSPORTATION EXPENSE ADJUSTMENT

Description	Amount
November 2008 mileage	\$ (109)
November 2008 mileage	(367)
November 2008 mileage	(82)
December 2008 mileage	(338)
December 2008 mileage	(1,031)
December 2008 mileage	(230)
November 2009 mileage	178
December 2009 mileage	383
December 2009 mileage	817
December 2009 mileage	203
Non-recurring vehicle insurance refund	1,962
Non-recurring vehicle lease expenses	(600)
Non-recurring vehicle lease expenses	(200)
Non-recurring vehicle lease expenses	(200)
Total Adjustment H	\$ 386

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule C-2d  
Title: Income Statement Proforma  
Adjustments

**DETAIL OF PROPOSED DEPRECIATION EXPENSE CALCULATION**

Account Number	Description	Plant @ End of Test Year 31-Dec-09	Proposed Depreciation Rate	Ref	Proposed Depreciation Expense
301	Intangibles	\$ 2,180	0.00%		\$ -
303	Land & Land Rights	5,984	0.00%		-
304	Structures & Improvements	9,622	3.33%		320
307	Wells & Springs	70,152	3.33%	1	916
311	Pumping Equipment	259,215	12.50%		32,402
320	Water Treatment Equipment	-			-
320.1	Water Treatment Plants	-	3.33%		-
320.2	Solution Chemical Feeders	1,076	20.00%		215
330	Distribution Reservoirs & Standpipes	4,978	2.22%		111
330.1	Storage Tanks	32,089	2.22%		712
330.2	Pressure Tanks.	13,941	5.00%		697
331	Transmission & Distribution Mains	299,883	2.00%	2	3,131
333	Services	474	3.33%	3	-
334	Meters & Meter Installations	21,118	8.33%	4	1,030
335	Hydrants	-	2.00%		-
339	Other Plant and Misc Equipment	-	6.67%		-
340	Office Furniture & Equipment	15,119	6.67%		1,008
340.1	Computers and Software	-	20.00%		-
341	Transportation Equipment	49,921	20.00%	5	9,187
343	Tools, Shop, and Garage Equipment	-	5.00%		-
345	Power Operated Equipment	-	5.00%		-
348	Other Tangible Plant	-	0.00%		-
<b>Totals</b>		<b>\$ 785,752</b>			<b>\$ 49,729</b>

Test Year Depreciation Expense 27,353

**Total Adjustment K \$ 22,376**

- 1 \$42,649 of the total amount in account 307 - Wells & Springs, is fully depreciated.
- 2 \$143,358 of the total amount in account 331 - Transmission & Distribution Mains, is fully depreciated.
- 3 Amount in Account 333 (\$474) - Services, is fully depreciated.
- 4 \$8,759 of the total amount in account 334 - Meters & Meter Installations, is fully depreciated.
- 5 \$3,985 of the total amount in account 341 - Transportation Equipment, is fully depreciated.

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule C-2e  
Title: Income Statement Proforma  
Adjustments

**CALCULATION OF OPERATING INCOME ADJUSTMENT N  
TO TEST YEAR INCOME TAX EXPENSE**

***STATE INCOME TAX CALCULATION:***

Operating Income/(Loss) Before Taxes	\$	(90,171)
Less:		
Estimated Interest Expense		<u>(149,509)</u>
Arizona Taxable Income	\$	(239,679)
Arizona Income Tax Rate		<u>6.9680%</u>
Arizona Income Tax Expense	\$	(16,701)

***FEDERAL INCOME TAX CALCULATION:***

Operating Income/(Loss) Before Taxes	\$	(90,171)
Less:		
Arizona Income Tax	\$	(16,701)
Estimated Interest Expense		<u>(149,509)</u>
Federal Taxable Income	\$	(256,380)
Federal Income Tax Rate		<u>15.0000%</u>
Federal Income Tax Expense	\$	(38,457)
Adjusted Test Year Income Tax Expense	\$	<u>(55,158)</u>
Test Year Income Tax Expense		<u>7,521</u>
Total Adjustment N to Income Taxes	\$	<u><u>(62,679)</u></u>

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule C-2f  
Title: Income Statement Proforma  
Adjustments

**CALCULATION OF OPERATING INCOME ADJUSTMENT Q  
TO PROPOSED INCOME TAX EXPENSE**

Revenue	\$	754,112		
Operating Expenses Excluding Income Tax		374,254		
Estimated Interest Expense		149,509		
Arizona Taxable Income			\$	230,350
Arizona Income Tax Rate				6.9680%
Arizona Income Tax Expense			\$	16,051
Federal Taxable Income			\$	214,299
Federal Tax on 1st Income Range (\$1 - \$50,000) @ 15%			\$	7,500
Federal Tax on 2nd Income Range (\$50,001 - \$75,000) @ 25%				6,250
Federal Tax on 3rd Income Range (\$75,001 - \$100,000) @ 34%				8,500
Federal Tax on 4th Income Range (\$100,001 - \$335,000) @ 39%				44,577
Federal Tax on 5th Income Range (\$335,001 - \$10M) @ 34%				-
Total Federal Income Tax Expense				66,827
Combined Federal and State Income Tax Expense			\$	82,877
Adjusted Test Year Income Tax Expense				(55,158)
Adjustment Q to Income Tax Expense			\$	138,035
Required Operating Income	\$	296,981		
Adjusted Test Year Operating Income/(Loss)		(35,013)		
Proposed Increase In Operating Income			\$	331,994
Income Taxes On Proposed Revenue	\$	82,877		
Income Taxes On Test Year Revenue		(55,158)		
Proposed Revenue Increase For Income Taxes			\$	138,035
Total Proposed Increase In Revenue			\$	470,029

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule C-3  
Title: Computation of Gross Revenue  
Conversion Factor

Explanation:  
Schedule showing incremental taxes on gross revenues and  
the development of a gross revenue conversion factor.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Description	Calculation
Revenue	1.0000
Combined Federal And State Tax Rate	(0.2937)
Subtotal	0.7063
Gross Revenue Conversion Factor = 1/Operating Income %	1.4158

*CALCULATION OF COMBINED FEDERAL AND STATE TAX RATE:*

Operating Income Before Taxes (Arizona Taxable Income)	100.0000%
Arizona State Income Tax Rate	6.9680%
Federal Taxable Income	93.0320%
Federal Income Tax Rate	22.3994%
Effective Federal Income Tax Rate	20.8386%
Combined Federal And State Income Tax Rates	29.3674%

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule D-1  
Title: Summary Cost of Capital

Explanation:  
Schedule showing elements of capital structure  
and the related cost.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Invested Capital	End of Test Year				End of Projected Year			
	Amount	%	Cost Rate (e)	Composite Cost %	Amount	%	Cost Rate (e)	Composite Cost %
Long-Term Debt (a)								
WIFA Loan	\$ -				\$ 3,000,000	95.19%	5.00%	4.76%
Short-Term Debt (a)								
Wells Fargo Credit Line	\$ 104,877	69.17%	10.75%	7.44%	\$ 104,877	3.33%	10.75%	0.36%
N. Watkins note	50,545	33.34%	10.00%	3.33%	50,545	1.60%	10.00%	0.16%
Common Equity (c)	(3,804)	-2.51%	12.00%	-0.30%	(3,804)	-0.12%	12.00%	-0.01%
Total	<u>\$ 151,618</u>	<u>100.00%</u>		<u>10.47%</u>	<u>\$ 3,151,618</u>	<u>100.00%</u>		<u>5.26%</u>

Supporting Schedules:

- (a) D-2
- (b) D-3
- (c) D-4
- (d) E-1

Recap Schedules:

- (e) A-3



**East Slope/Antelope Run/Indiada**  
**Test Year Ended December 31, 2009**

**Schedule E-1**  
**Title: Comparative Balance**  
**Sheet**

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specd Reqmt	<input type="checkbox"/>

Explanation:  
Schedule showing comparative balance sheets at the end of the  
test year and the 2 fiscal years ended prior to the test year.

	Test Year At 31-Dec-09	Prior Year 31-Dec-08	Prior Year 31-Dec-07
<b>ASSETS</b>			
Property, Plant & Equipment: (a)			
101 Utility Plant In Service	\$ 785,752	\$ 751,349	\$ 689,871
103 Property Held for Future Use	-	-	-
105 Construction Work in Process	2,854	-	-
108 Accumulated Depreciation	(477,224)	(449,166)	(423,505)
Total Property Plant & Equipment	\$ 311,381	\$ 302,182	\$ 266,366
Current Assts:			
131 Cash	\$ 10,441	\$ 19,871	\$ 5,446
135 Temporary Cash Investments	-	-	-
141 Customer Accounts Receivable	11,262	92	92
146 Notes/Receivables from Associated Companies	15,114	15,114	14,114
151 Plant Material and Supplies	-	-	-
162 Prepayments	-	-	-
174 Miscellaneous Current and Accrued Assets	3,020	3,000	3,000
Total Current Assets	\$ 39,837	\$ 38,077	\$ 22,652
<b>TOTAL ASSETS</b>	<b>\$ 351,218</b>	<b>\$ 340,259</b>	<b>\$ 289,018</b>
<b>LIABILITIES and CAPITAL</b>			
Capitalization: (b)			
201 Common Stock Issued	\$ 46,300	\$ 46,300	\$ 46,300
211 Paid in Capital in Excess of Par Value	(3,552)	(13,875)	(13,875)
215 Retained Earnings	(33,290)	(41,998)	(45,032)
216 Reacquired Capital Stock (Treasury)	(11,300)	(11,300)	(11,300)
218 Proprietary Capital	(1,962)	9,495	17,497
Total Capital	\$ (3,804)	\$ (11,378)	\$ (6,410)
Current Liabilities:			
231 Accounts Payable	\$ 89,203	\$ 88,115	\$ 26,394
232 Notes Payable (Current Portion)	-	-	20,200
234 Notes/Accounts Payable to Associated Companies	35,114	15,114	14,114
235 Customer Deposits	8,484	30,191	5,180
236 Accrued Taxes	(19)	1,220	4,519
241 Miscellaneous Current and Accrued Liabilities	155,422	158,895	136,000
Total Current Liabilities	\$ 288,204	\$ 293,535	\$ 206,407
224 Long-Term Debt (Over 12 Months)	\$ -	\$ 10,523	\$ 14,323
Deferred Credits:			
252 Advances In Aid Of Construction	\$ 66,818	\$ 47,579	\$ 74,698
271 Contributions In Aid Of Construction	-	-	-
272 Less: Amortization of Contributions	-	-	-
281 Accumulated Deferred Income Tax	-	-	-
Total Deferred Credits	\$ 66,818	\$ 47,579	\$ 74,698
Total Liabilities	\$ 355,022	\$ 351,637	\$ 295,428
<b>TOTAL LIABILITIES and CAPITAL</b>	<b>\$ 351,218</b>	<b>\$ 340,259</b>	<b>\$ 289,018</b>
Supporting Schedules:			
(a) E-5			
	Recap Schedules:		
	(b) A-3		

**East Slope/Antelope Run/Indiada**  
Test Year Ended December 31, 2009

**Schedule E-2**  
**Title: Comparative Income**  
**Statements**

Explanation:  
Schedule showing comparative income statements for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specd Reqmt	<input type="checkbox"/>

	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Revenues: (a)			
461 Metered Water Revenue	\$ 281,796	\$ 261,783	\$ 284,144
461.1 Surcharge Revenue	14,517	-	-
474 Other Water Revenue	3,724	2,482	4,186
Total Revenues	\$ 300,037	\$ 264,265	\$ 288,330
Operating Expenses (a)			
601 Salaries & Wages	\$ -	\$ 68,400	\$ 100,000
610 Purchased Water	1,700	2,150	4,009
615 Purchased Power	72,314	68,922	73,063
618 Chemicals	792	-	-
620 Repairs and Maintenance	16,143	22,983	13,671
621 Office Supplies and Expense	12,202	28,939	9,779
630 Outside Services	127,734	22,457	3,157
635 Water Testing	8,008	5,017	2,235
641 Rents	-	3,600	4,800
650 Transportation Expense	21,419	14,813	12,760
657 Insurance - General liability	6,565	3,685	5,298
659 Insurance - Health and Life	-	-	-
666 Regulatory Commission Expense - Rate Case	4,618	-	-
675 Miscellaneous Expense	5	556	10,985
403 Depreciation Expense	27,353	30,429	31,082
408 Taxes Other Than Income	(1,127)	8,134	13,116
408.11 Property Taxes	19,976	8,632	17,293
409 Income Tax	7,521	-	(913)
Total Operating Expenses	\$ 325,223	\$ 288,717	\$ 300,335
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (25,186)</b>	<b>\$ (24,452)</b>	<b>\$ (12,005)</b>
Other Income/(Expense)			
419 Interest and Dividend Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	10,373	4,000
426 Miscellaneous Non-Utility Expense	-	-	(700)
427 Interest Expense	(1,544)	(10,742)	(14,529)
Total Other Income/(Expense)	\$ (1,544)	\$ (369)	\$ (11,229)
<b>NET INCOME/(LOSS)</b>	<b>\$ (26,730)</b>	<b>\$ (24,821)</b>	<b>\$ (23,234)</b>

Supporting Schedules:

Recap Schedules:  
A-2

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule E-5  
Title: Detail of Utility Plant

Explanation:  
Schedule showing utility plant balance, by detailed account number, at the end of the test year and the end of the prior fiscal year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Spec'l Reqmt ☐

Account Number	Description	End of Prior Year at 31-Dec-08	Net Additions	End of Test Year at 31-Dec-09
301	Intangibles	\$ 2,180	\$ -	\$ 2,180
303	Land & Land Rights	5,984	-	5,984
304	Structures & Improvements	9,622	-	9,622
307	Wells & Springs	70,152	-	70,152
311	Pumping Equipment	231,440	27,775	259,215
320	Water Treatment Equipment	-	-	-
320.1	Water Treatment Plants	-	-	-
320.2	Solution Chemical Feeders	1,076	-	1,076
330	Distribution Reservoirs & Standpipes	4,978	-	4,978
330.1	Storage Tanks	32,089	-	32,089
330.2	Pressure Tanks	13,941	-	13,941
331	Transmission & Distribution Mains	294,435	5,448	299,883
333	Services	474	-	474
334	Meters & Meter Installations	19,938	1,180	21,118
335	Hydrants	-	-	-
339	Other Plant and Misc Equipment	-	-	-
340	Office Furniture & Equipment	15,119	-	15,119
340.1	Computers and Software	-	-	-
341	Transportation Equipment	49,921	-	49,921
343	Tools, Shop, and Garage Equipment	-	-	-
345	Power Operated Equipment	-	-	-
348	Other Tangible Plant	-	-	-
<b>Total Plant In Service</b>		<b>\$ 751,349</b>	<b>\$ 34,403</b>	<b>\$ 785,752</b>
108	Accumulated Depreciation	\$ (449,166)	\$ (28,058)	\$ (477,224)
Net Plant In Service		\$ 302,182	\$ 6,345	\$ 308,527
103	Property Held for Future Use	\$ -	\$ -	\$ -
105	Construction Work in Process	-	2,854	2,854
<b>Total Net Plant</b>		<b>\$ 302,182</b>	<b>\$ 9,199</b>	<b>\$ 311,381</b>

Supporting Schedules:

Recap Schedules:  
E-1 A-4

**East Slope/Antelope Run/Indiada**  
Test Year Ended December 31, 2009

**Schedule E-7**  
**Title: Operating Statistics**

Explanation:  
Schedule showing key operating statistics in comparative format,  
for the test year and the 2 fiscal years ended prior to the test year.

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Spec'l Reqmt	<input type="checkbox"/>

	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
<b>Water Statistics:</b>			
Gallons Sold - By Class of Service:			
Residential	107,341,768	101,673,794	118,214,705
Commercial	5,830,232	5,502,206	6,931,625
Average Number of Customers - By Class of Service:			
Residential	954	989	951
Commercial	55	54	52
Average Annual Gallons Per Residential Customer	112,518	102,826	124,297
Average Annual Revenue Per Residential Customer	*	*	*
Pumping Cost Per 1,000 Gallons	\$ 0.6390	\$ 0.6431	\$ 0.5838

\* Current customer rates differ by company, please see each individual company application.

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule E-8  
Title: Taxes Charged to  
Operations

Explanation:  
Schedule showing all significant taxes charged to operations for  
the test year and the 2 fiscal years ended prior to the test year.

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Speci Reqmt ☐

Description	Test Year Ended 31-Dec-09	Prior Year Ended 31-Dec-08	Prior Year Ended 31-Dec-07
Federal Taxes:			
Income	\$ 7,521	\$ -	\$ (931)
Payroll	(1,160)	5,781	8,450
Total Federal Taxes	\$ 6,361	\$ 5,781	\$ 7,519
State Taxes:			
Income	\$ -	\$ -	\$ -
Payroll	33	2,354	4,666
Total State Taxes	\$ 33	\$ 2,354	\$ 4,666
Local Taxes:			
Property	\$ 19,976	\$ 8,632	\$ 17,293
Total Taxes	<u>\$ 26,370</u>	<u>\$ 16,766</u>	<u>\$ 29,478</u>

NOTE: For combination utilities, the above should be presented in total and by department.

Supporting Schedules:

Recap Schedules:

East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule E-9  
Title: Notes to Financial  
Statements

Explanation:  
Disclosure of important facts pertaining to the understanding  
of the financial statements.

Required for:	All Utilities	<input checked="checked" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Specd Reqmt	<input type="checkbox"/>

Disclosures should include, but not be limited to the following:

1 Accounting Method.

**The books of the consolidated entity will be kept as accrual based, and will also follow NARUC rules, including the USoA.**

2 Depreciation lives and methods employed by major classification of utility property.

**Proposed depreciation rates are depicted on Schedule C-2d as well as on the plant schedule as part of the financing application. These rates were taken from ACC Engineering Staff Memo regarding their recommended rates for depreciation dated April 21, 2000, and revised March 1, 2001.**

3 Income tax treatment - normalization or flow through.

**It is undetermined at this time if depreciation expense will be the same for regulatory purposes and tax purposes. However, it is likely that the consolidated entity will follow what East Slope Water has done in the past, and book depreciation will be used for tax purposes. Additionally, since the consolidated entity will be a C-Corp, it will pay its own income taxes.**

4 Interest rate used to charge interest during construction, if applicable.

**Not Applicable.**

Supporting Schedules:

Recap Schedules:

**East Slope/Antelope Run/Indiada**  
**Test Year Ended December 31, 2009**

**Schedule F-1**  
**Title: Projected Income Statements -**  
**Present and Proposed Rates**

Explanation:  
 Schedule showing an income statement for the projected year,  
 compared with actual test year results, at present and proposed  
 rates.

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

	<u>Projected Year</u>		
	<u>Actual</u>	<u>At Present</u>	<u>At Proposed</u>
	<u>Test Year</u> <u>Ended (a)</u> <u>31-Dec-09</u>	<u>Rates</u> <u>Year Ended (b)</u> <u>31-Dec-10</u>	<u>Rates</u> <u>Year Ended (b)</u> <u>31-Dec-10</u>
<b>Operating Revenues:</b>			
461 Metered Water Revenue	\$ 281,796	\$ 280,359	\$ 750,388
461.1 Surcharge Revenue	14,517	-	-
474 Other Water Revenue	3,724	3,724	3,724
<b>Total Operating Revenue</b>	<b>\$ 300,037</b>	<b>\$ 284,083</b>	<b>\$ 754,112</b>
<b>Operating Expenses:</b>			
601 Salaries & Wages	\$ -	\$ -	\$ -
610 Purchased Water	1,700	-	-
615 Purchased Power	72,314	71,881	71,881
618 Chemicals	792	792	792
620 Repairs & Maintenance	16,143	16,163	16,163
621 Office Supplies and Expense	12,202	12,023	12,023
630 Outside Services	127,734	158,038	158,038
635 Water Testing	8,008	8,008	8,008
641 Rental Expense	-	-	-
650 Transportation Expense	21,419	21,805	21,805
657 Insurance - General Liability	6,565	6,491	6,491
659 Insurance - Health and Life	-	-	-
666 Rate Case Expense	4,618	14,873	14,873
675 Miscellaneous Expense	5	5	5
403 Depreciation & Amortization	27,353	49,729	49,729
408 Property Taxes	(1,127)	-	-
408.1 Taxes Other Than Income	19,976	14,446	14,446
409 Income Taxes	7,521	(55,158)	82,877
<b>Total Operating Expenses</b>	<b>\$ 325,223</b>	<b>\$ 319,096</b>	<b>\$ 457,131</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (25,186)</b>	<b>\$ (35,013)</b>	<b>\$ 296,981</b>
<b>Other Income/(Expense):</b>			
419 Interest Income	\$ -	\$ -	\$ -
421 Non-Utility Income	-	-	-
426 Miscellaneous Non-Utility Expenses	-	-	-
427 Interest Expense	(1,544)	(149,509)	(149,509)
<b>Total Other Income/(Expense)</b>	<b>\$ (1,544)</b>	<b>\$ (149,509)</b>	<b>\$ (149,509)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (26,730)</b>	<b>\$ (184,521)</b>	<b>\$ 147,473</b>
Earnings per share of average Common Stock Outstanding	\$ (66.83)	\$ (461.30)	\$ 368.68
% Return on Common Equity		Negative Equity	

Supporting Schedules:  
 (a) E-2

Recap Schedules:  
 (b) A-2

**East Slope/Antelope Run/Indiada**  
Test Year Ended December 31, 2009

**Schedule F-3**  
**Title: Projected Construction**  
**Requirements**

Explanation:  
Schedule showing projected annual construction requirements,  
by property classification, for 1 to 3 years subsequent to the  
test year compared with the test year.

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Property Classification	Actual Test Year Ended 12/31/2009	End of Projected Year 1
Production Plant	\$ 27,775	\$ 377,294
Transmission Plant	8,302	2,622,706
Other Plant	1,180	-
Total Plant	<u>\$ 37,257</u>	<u>\$ 3,000,000</u>

NOTE: For combination utilities, the above should be presented by department.

Supporting Schedules:

Recap Schedules:  
(a) F-2 & A-4



East Slope/Antelope Run/Indiada  
Test Year Ended December 31, 2009

Schedule F-4  
Title: Assumptions Used in  
Developing Projections

Explanation:  
Documentation of important assumptions used in preparing  
forecasts and projections

Required for:	All Utilities	<input checked="" type="checkbox"/>
	Class A	<input type="checkbox"/>
	Class B	<input type="checkbox"/>
	Class C	<input type="checkbox"/>
	Class D	<input type="checkbox"/>
	Speci Reqmt	<input type="checkbox"/>

Important assumptions used in preparing projections should be explained.

Areas covered should include:

1 Customer growth

**The company has experienced no growth in the past few years.**

2 Growth in consumption and customer demand

**The company does not anticipate an increase in customer consumption and demand due to the proposed tiered rate structure.**

3 Changes in expenses

**The company believes the test year 2009, with the limited proforma adjustments included in this application, accurately depict expense levels for the consolidated entity going forward.**

4 Construction requirements including production reserves and changes in plant capacity

**The Company is seeking a loan from WIFA for the proposed consolidated entity totaling \$3 million to replace lines, add storage, and upgrade pumps and electrical at wells and booster sites.**

5 Capital structure changes

**If the proposed consolidation of Indiada Water Company, Antelope Run Water, and East Slope Water Company is approved, the new or surviving entity is to be structured as a C-Corp.**

6 Financing costs, interest rates

**The company proposes to borrow funds from WIFA, and it will be required to pay WIFA's normal fees, reserves, and the prevailing interest rate at the time the loan is closed. The consolidated entity's total share of the interest expense is included on the income statement.**

Supporting Schedules:

Recap Schedules:

East Slope, Antelope Run, Indiada Consolidated  
Test Year Ended December 31, 2009

Schedule: H-1  
Title: Summary of Revenues by Customer  
Classification - Present and Proposed Rates

Explanation:  
Schedule comparing revenues by customer classification for  
the Test Year, at present and proposed rates.

Required for: All Utilities

Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

Customer Classification	Revenues in the Test Year (a)		Proposed Increase (b)	
	Present Rates	Proposed Rates	Amount	%
<b>Residential</b>				
5/8 x 3/4 inch	\$ 253,278	\$ 675,081	\$ 421,803	166.54%
1 inch	6,390	8,320	1,930	30.20%
1.5 inch	4,417	11,425	7,008	158.67%
<b>Total Residential</b>	<b>\$ 264,085</b>	<b>\$ 694,827</b>	<b>\$ 430,742</b>	<b>163.11%</b>
<b>Commercial</b>				
5/8 x 3/4 inch	\$ 9,996	\$ 29,544	\$ 19,548	195.56%
1 inch	1,844	13,834	11,990	650.20%
1.5 inch	1,855	5,170	3,315	178.70%
2 inch	4,017	7,013	2,996	74.59%
<b>Total Commercial</b>	<b>\$ 17,712</b>	<b>\$ 55,561</b>	<b>\$ 37,849</b>	<b>213.69%</b>
<b>Total Metered Water Revenues</b>	<b>\$ 281,797</b>	<b>\$ 750,388</b>	<b>\$ 468,591</b>	<b>166.29%</b>
Surcharge Revenue	\$ 14,517	\$ -	\$ (14,517)	-100.00%
Other Revenues	3,724	3,724	-	0.00%
<b>Total Revenues</b>	<b>\$ 300,038</b>	<b>\$ 754,112</b>	<b>\$ 454,074</b>	<b>151.34%</b>

Note: For combination utilities, above information should be presented in total and by department.

Supporting Schedules:  
(a) H-2

Recap Schedules:  
(b) A-1

East Slope, Antelope Run, Indiada Consolidated  
Test Year Ended December 31, 2009

Schedule: H-3  
Title: Changes in Representative Rate  
Schedules - Page 1 of 2

Explanation:  
Schedule comparing present rate schedules with proposed  
rate schedule.

(Note: Rates apply to both residential and commercial usage)

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

Description	Present Rate	Proposed Rate	% change
<b>MONTHLY USAGE CHARGE</b>			
5/8" x 3/4" Meter	NA	\$ 20.02	NA
3/4" Meter	NA	50.05	NA
1" Meter	NA	50.05	NA
1-1/2" Meter	NA	100.10	NA
2" Meter	NA	160.16	NA
3" Meter	NA	320.32	NA
4" Meter	NA	500.50	NA
6" Meter	NA	1,001.00	NA

**Commodity Charges Per 1,000 Gallons:**

**5/8 x 3/4 - inch meter**

Tier one: 0 - 3,000 Gallons	NA	\$ 2.12
Tier two: 3,001 to 10,000 Gallons	NA	3.82
Tier three: All Gallons Over 10,000	NA	6.87

**3/4 - inch meter**

Tier one: 0 - 3,000 Gallons	NA	\$ 2.12
Tier two: 3,001 to 10,000 Gallons	NA	3.82
Tier three: All Gallons Over 10,000	NA	6.87

**One - inch meter**

Tier one: 0 - 10,000 Gallons	NA	\$ 2.12
Tier two: All Gallons Over 10,000	NA	3.82

**One and one half - inch meter**

Tier one: 0 - 20,000 Gallons	NA	\$ 2.12
Tier two: All Gallons Over 20,000	NA	3.82

**Two - inch meter**

Tier one: 0 - 20,000 Gallons	NA	\$ 2.12
Tier two: All Gallons Over 20,000	NA	3.82

**Three - inch meter**

Tier one: 0 - 20,000 Gallons	NA	\$ 2.12
Tier two: All Gallons Over 20,000	NA	3.82

**Four - inch meter**

Tier one: 0 - 20,000 Gallons	NA	\$ 2.12
Tier two: All Gallons Over 20,000	NA	3.82

**Six - inch meter**

Tier one: 0 - 20,000 Gallons	NA	\$ 2.12
Tier two: All Gallons Over 20,000	NA	3.82

East Slope, Antelope Run, Indiana Consolidated

Schedule: H-3

Test Year Ended December 31, 2009

Title: Changes in Representative Rate  
Schedules - Page 2 of 2

Description	Present Rate	Proposed Rate	% change
<b>SERVICE CHARGES</b>			
Establishment	NA	\$ 35.00	NA
Establishment (After Hours)	NA	50.00	NA
Reconnection (Delinquent)	NA	35.00	NA
Reconnection (After Hours)	NA	50.00	NA
Meter Test (If Correct)	NA	25.00	NA
Meter Reread (If Correct)	NA	20.00	NA
NSF Check Charge	NA	25.00	NA
Deposit	*	*	NA
Deposit Interest (Per Annum)	*	*	NA
Deferred Payment (Per Month)	**	**	NA
Late Charge (Per Month)	**	**	NA
Re-establishment (Within 12 Months)	***	***	NA

**MONTHLY SERVICE CHARGE**

**FOR FIRE SPRINKLER:** N/A \*\*\*\*

**SERVICE LINE AND METER INSTALLATION CHARGES**

Refundable Pursuant to AAC R14-2-405

Description	Present Rate	Proposed Rates			% change
		Service Line	Meter Charge	Total Charge	
5/8" x 3/4" Meter	NA	\$ 430.00	\$ 130.00	\$ 560.00	NA
3/4" Meter	NA	430.00	230.00	660.00	NA
1" Meter	NA	480.00	290.00	770.00	NA
1-1/2" Meter	NA	535.00	500.00	1,035.00	NA
2" Meter - Turbine	NA	815.00	1,020.00	1,835.00	NA
2" Meter - Compound	NA	815.00	1,865.00	2,680.00	NA
3" Meter - Turbine	NA	1,030.00	1,645.00	2,675.00	NA
3" Meter - Compound	NA	1,150.00	2,545.00	3,695.00	NA
4" Meter - Turbine	NA	1,460.00	2,620.00	4,080.00	NA
4" Meter - Compound	NA	1,640.00	3,595.00	5,235.00	NA
6" Meter - Turbine	NA	2,180.00	4,975.00	7,155.00	NA
6" Meter - Compound	NA	2,300.00	6,870.00	9,170.00	NA

\* Per Commission Rule AAC R-14-2-403(B).

\*\* 1.50% of unpaid monthly balance.

\*\*\* Month off system times the monthly minimum per Commission rule AAC R14-2-403(D).

\*\*\*\* 1% of monthly minimum for a comparable sized meter connection, but no less than \$5.00 per month. The service charge for fire sprinklers is only applicable for service lines separate and distinct from the primary water service line.

Supporting Schedules:

**East Slope, Antelope Run, Indiana Consolidated**  
Test Year Ended December 31, 2009

**Schedule: H-4**  
**Title: Typical Bill**  
**Analysis**  
**Page 1 of 4**

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage.)

Required for: All Utilities	<input checked="checked" type="checkbox"/>
Class A	<input type="checkbox"/>
Class B	<input type="checkbox"/>
Class C	<input type="checkbox"/>
Class D	<input type="checkbox"/>
Specd Reqmt	<input type="checkbox"/>

**5/8" x 3/4" meter**

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	NA	\$ 20.02	NA
1,000	NA	22.14	NA
2,000	NA	24.26	NA
3,000	NA	26.38	NA
4,000	NA	30.20	NA
5,000	NA	34.01	NA
6,000	NA	37.83	NA
7,000	NA	41.64	NA
8,000	NA	45.46	NA
9,000	NA	49.28	NA
10,000	NA	53.09	NA
13,000	NA	73.70	NA
15,000	NA	87.44	NA
20,000	NA	121.78	NA
25,000	NA	156.12	NA
50,000	NA	327.84	NA
75,000	NA	499.56	NA
100,000	NA	671.28	NA
125,000	NA	843.00	NA
150,000	NA	1,014.72	NA
175,000	NA	1,186.44	NA
200,000	NA	1,358.16	NA

Supporting Schedules:

**East Slope, Antelope Run, Indiada Consolidated**  
Test Year Ended December 31, 2009

**Schedule: H-4**  
**Title: Typical Bill**  
**Analysis**  
**Page 2 of 4**

**Explanation:**  
Schedule(s) comparing typical customer bills at varying consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage.)

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Spec'l Reqmt

X

**1 inch meter**

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	NA	\$ 50.05	NA
1,000	NA	52.17	NA
2,000	NA	54.29	NA
3,000	NA	56.41	NA
4,000	NA	58.53	NA
5,000	NA	60.65	NA
6,000	NA	62.77	NA
7,000	NA	64.89	NA
8,000	NA	67.01	NA
9,000	NA	69.13	NA
10,000	NA	71.25	NA
15,000	NA	90.33	NA
20,000	NA	109.41	NA
25,000	NA	128.49	NA
40,000	NA	185.73	NA
50,000	NA	223.89	NA
75,000	NA	319.29	NA
100,000	NA	414.69	NA
125,000	NA	510.09	NA
150,000	NA	605.49	NA
175,000	NA	700.89	NA
200,000	NA	796.29	NA

Supporting Schedules:

East Slope, Antelope Run, Indiada Consolidated  
 Test Year Ended December 31, 2009

Schedule: H-4  
 Title: Typical Bill  
 Analysis  
 Page 3 of 4

Explanation:  
 Schedule(s) comparing typical customer bills at varying  
 consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage.)

Required for: All Utilities ☒  
 Class A ☐  
 Class B ☐  
 Class C ☐  
 Class D ☐  
 Spec'l Reqmt ☐

**1.5 inch meter**

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	NA	\$ 100.10	NA
1,000	NA	102.22	NA
2,000	NA	104.34	NA
3,000	NA	106.46	NA
4,000	NA	108.58	NA
5,000	NA	110.70	NA
6,000	NA	112.82	NA
7,000	NA	114.94	NA
8,000	NA	117.06	NA
9,000	NA	119.18	NA
10,000	NA	121.30	NA
15,000	NA	131.90	NA
20,000	NA	142.50	NA
25,000	NA	161.58	NA
50,000	NA	256.98	NA
75,000	NA	352.38	NA
100,000	NA	447.78	NA
125,000	NA	543.18	NA
150,000	NA	638.58	NA
175,000	NA	733.98	NA
200,000	NA	829.38	NA

Supporting Schedules:

East Slope, Antelope Run, Indiada Consolidated  
Test Year Ended December 31, 2009

Schedule: H-4  
Title: Typical Bill  
Analysis  
Page 4 of 4

Explanation:  
Schedule(s) comparing typical customer bills at varying  
consumption levels at present and proposed rates.

(Note: Rates apply to both residential and commercial usage.)

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

2 inch meter

Monthly Consumption	Present Bill	Proposed Bill	Percent Increase
-	NA	\$ 160.16	NA
1,000	NA	162.28	NA
2,000	NA	164.40	NA
3,000	NA	166.52	NA
4,000	NA	168.64	NA
5,000	NA	170.76	NA
6,000	NA	172.88	NA
7,000	NA	175.00	NA
8,000	NA	177.12	NA
9,000	NA	179.24	NA
10,000	NA	181.36	NA
15,000	NA	191.96	NA
20,000	NA	202.56	NA
25,000	NA	221.64	NA
50,000	NA	317.04	NA
75,000	NA	412.44	NA
100,000	NA	507.84	NA
125,000	NA	603.24	NA
150,000	NA	698.64	NA
175,000	NA	794.04	NA
200,000	NA	889.44	NA

Supporting Schedules:



East Slope, Antelope Rm, Indiana Consolidated  
Test Year Ended December 31, 2009

Schedule: H-5  
Title: Bill Count  
Page 1 of 7

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities

Class A  
Class B  
Class C  
Class D  
Specd Reqt

X

5/8 x 3/4 inch meter - Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	262	-	262	2.32%	-	0.00%
1 to 1,000	525	262,500	787	6.97%	262,500	0.25%
1,001 to 2,000	867	1,300,500	1,654	14.65%	1,563,000	1.51%
2,001 to 3,000	1,069	2,672,500	2,723	24.11%	4,235,500	4.10%
3,001 to 4,000	1,205	4,217,500	3,928	34.78%	8,453,000	8.18%
4,001 to 5,000	1,174	5,283,000	5,102	45.18%	13,736,000	13.29%
5,001 to 6,000	974	5,357,000	6,076	53.80%	19,093,000	18.47%
6,001 to 7,000	728	4,732,000	6,804	60.25%	23,825,000	23.04%
7,001 to 8,000	573	4,297,500	7,377	65.32%	28,122,500	27.20%
8,001 to 9,000	498	4,233,000	7,875	69.73%	32,355,500	31.30%
9,001 to 10,000	393	3,733,500	8,268	73.21%	36,089,000	34.91%
10,001 to 12,000	589	6,479,000	8,857	78.43%	42,568,000	41.17%
12,001 to 14,000	445	5,785,000	9,302	82.37%	48,353,000	46.77%
14,001 to 16,000	343	5,145,000	9,645	85.41%	53,498,000	51.74%
16,001 to 18,000	268	4,556,000	9,913	87.78%	58,054,000	56.15%
18,001 to 20,000	206	3,914,000	10,119	89.60%	61,968,000	59.94%
20,001 to 25,000	389	8,752,500	10,508	93.05%	70,720,500	68.40%
25,001 to 30,000	245	6,737,500	10,753	95.22%	77,458,000	74.92%
30,001 to 35,000	155	5,037,500	10,908	96.59%	82,495,500	79.79%
35,001 to 40,000	95	3,562,500	11,003	97.43%	86,058,000	83.24%
40,001 to 50,000	120	5,400,000	11,123	98.49%	91,458,000	88.46%
50,001 to 60,000	64	3,520,000	11,187	99.06%	94,978,000	91.87%
60,001 to 70,000	35	2,275,000	11,222	99.37%	97,253,000	94.07%
70,001 to 80,000	26	1,950,000	11,248	99.60%	99,203,000	95.95%
80,001 to 90,000	9	765,000	11,257	99.68%	99,968,000	96.69%
90,001 to 99,999	9	855,000	11,266	99.76%	100,823,000	97.52%
102,180	1	95,000	11,267	99.77%	100,918,000	97.61%
102,280	1	95,000	11,268	99.78%	101,013,000	97.70%
106,900	1	95,000	11,269	99.79%	101,108,000	97.79%
108,540	1	95,000	11,270	99.80%	101,203,000	97.89%
108,570	1	95,000	11,271	99.81%	101,298,000	97.98%
114,980	1	95,000	11,272	99.81%	101,393,000	98.07%
119,360	1	95,000	11,273	99.82%	101,488,000	98.16%
120,560	1	95,000	11,274	99.83%	101,583,000	98.25%
124,600	1	95,000	11,275	99.84%	101,678,000	98.35%
124,790	1	95,000	11,276	99.85%	101,773,000	98.44%
125,130	1	95,000	11,277	99.86%	101,868,000	98.53%
125,670	1	95,000	11,278	99.87%	101,963,000	98.62%
127,000	1	95,000	11,279	99.88%	102,058,000	98.71%
129,330	1	95,000	11,280	99.88%	102,153,000	98.81%
132,310	1	95,000	11,281	99.89%	102,248,000	98.90%
138,190	1	95,000	11,282	99.90%	102,343,000	98.99%
144,140	1	95,000	11,283	99.91%	102,438,000	99.08%
146,590	1	95,000	11,284	99.92%	102,533,000	99.17%
149,390	1	95,000	11,285	99.93%	102,628,000	99.26%
151,900	1	95,000	11,286	99.94%	102,723,000	99.36%
154,150	1	95,000	11,287	99.95%	102,818,000	99.45%
177,740	1	95,000	11,288	99.96%	102,913,000	99.54%
180,720	1	95,000	11,289	99.96%	103,008,000	99.63%
192,510	1	95,000	11,290	99.97%	103,103,000	99.72%
195,840	1	95,000	11,291	99.98%	103,198,000	99.82%
197,030	1	95,000	11,292	99.99%	103,293,000	99.91%
217,240	1	95,000	11,293	100.00%	103,388,000	100.00%
11,293		103,388,000				

Average Number of Customers 941  
Average Consumption 9,155  
Median Consumption 5,559

Supporting Schedules:

Recap Schedules:

East Slope, Antelope Run, Indiada Consolidated  
Test Year Ended December 31, 2009

Schedule: H-5  
Title: Bill Count  
Page 2 of 7

Explanation:  
Schedule(s) showing billing activity by block for each rate  
schedule.

5/8 x 3/4 inch meter - Commercial

Required for: All Utilities ☒  
Class A ☐  
Class B ☐  
Class C ☐  
Class D ☐  
Specd Reqmt ☐

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	38	-	38	7.92%	-	0.00%
1 to 1,000	106	53,000	144	30.00%	53,000	1.29%
1,001 to 2,000	70	105,000	214	44.58%	158,000	3.85%
2,001 to 3,000	32	80,000	246	51.25%	238,000	5.80%
3,001 to 4,000	17	59,500	263	54.79%	297,500	7.25%
4,001 to 5,000	18	81,000	281	58.54%	378,500	9.23%
5,001 to 6,000	17	93,500	298	62.08%	472,000	11.51%
6,001 to 7,000	11	71,500	309	64.38%	543,500	13.25%
7,001 to 8,000	22	165,000	331	68.96%	708,500	17.27%
8,001 to 9,000	11	93,500	342	71.25%	802,000	19.55%
9,001 to 10,000	9	85,500	351	73.13%	887,500	21.64%
10,001 to 12,000	23	253,000	374	77.92%	1,140,500	27.80%
12,001 to 14,000	17	221,000	391	81.46%	1,361,500	33.19%
14,001 to 16,000	15	225,000	406	84.58%	1,586,500	38.68%
16,001 to 18,000	10	170,000	416	86.67%	1,756,500	42.82%
18,001 to 20,000	7	133,000	423	88.13%	1,889,500	46.06%
20,001 to 25,000	22	495,000	445	92.71%	2,384,500	58.13%
25,001 to 30,000	11	302,500	456	95.00%	2,687,000	65.50%
30,001 to 35,000	3	97,500	459	95.63%	2,784,500	67.88%
35,001 to 40,000	5	187,500	464	96.67%	2,972,000	72.45%
40,001 to 50,000	4	180,000	468	97.50%	3,152,000	76.84%
50,001 to 60,000	3	165,000	471	98.13%	3,317,000	80.86%
60,001 to 70,000	4	260,000	475	98.96%	3,577,000	87.20%
70,001 to 80,000	1	75,000	476	99.17%	3,652,000	89.03%
80,001 to 90,000	-	-	476	99.17%	3,652,000	89.03%
90,001 to 99,999	3	285,000	479	99.79%	3,937,000	95.97%
165,110	1	165,110	480	100.00%	4,102,110	100.00%
	480	4,102,110				

Average Number of Customers 40  
Average Consumption 8,546  
Median Consumption 2,813

Supporting Schedules:

Recap Schedules:

East Slope, Antelope Run, Indiada Consolidated  
Test Year Ended December 31, 2009

Schedule: H-5  
Title: Bill Count  
Page 3 of 7

Explanation:  
Schedule(s) showing billing activity by block for each rate  
schedule.

Required for: All Utilities

Class A

Class B

Class C

Class D

Spec'l Reqmt

X

1 inch meter - Residential

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	13	-	13	12.62%	-	0.00%
1 to 1,000	1	500	14	13.59%	500	0.05%
1,001 to 2,000	6	9,000	20	19.42%	9,500	0.87%
2,001 to 3,000	11	27,500	31	30.10%	37,000	3.40%
3,001 to 4,000	6	21,000	37	35.92%	58,000	5.33%
4,001 to 5,000	15	67,500	52	50.49%	125,500	11.52%
5,001 to 6,000	5	27,500	57	55.34%	153,000	14.05%
6,001 to 7,000	5	32,500	62	60.19%	185,500	17.03%
7,001 to 8,000	1	7,500	63	61.17%	193,000	17.72%
8,001 to 9,000	5	42,500	68	66.02%	235,500	21.62%
9,001 to 10,000	2	19,000	70	67.96%	254,500	23.37%
10,001 to 12,000	5	55,000	75	72.82%	309,500	28.42%
12,001 to 14,000	5	65,000	80	77.67%	374,500	34.39%
14,001 to 16,000	3	45,000	83	80.58%	419,500	38.52%
16,001 to 18,000	2	34,000	85	82.52%	453,500	41.64%
18,001 to 20,000	1	19,000	86	83.50%	472,500	43.38%
20,001 to 25,000	9	202,500	95	92.23%	675,000	61.98%
25,001 to 30,000	2	55,000	97	94.17%	730,000	67.03%
30,001 to 35,000	1	32,500	98	95.15%	762,500	70.01%
35,001 to 40,000	-	-	98	95.15%	762,500	70.01%
40,001 to 50,000	3	135,000	101	98.06%	897,500	82.41%
50,001 to 60,000	-	-	101	98.06%	897,500	82.41%
60,001 to 70,000	1	65,000	102	99.03%	962,500	88.38%
70,001 to 80,000	-	-	102	99.03%	962,500	88.38%
80,001 to 90,000	-	-	102	99.03%	962,500	88.38%
90,001 to 99,999	-	-	102	99.03%	962,500	88.38%
126,590	1	126,590	103	100.00%	1,089,090	100.00%
	103	1,089,090				

Average Number of Customers 8.58  
Average Consumption 10,574  
Median Consumption 4,967

Supporting Schedules:

Recap Schedules:

East Slope, Antelope Run, Indiada Consolidated  
Test Year Ended December 31, 2009

Schedule: H-5  
Title: Bill Count  
Page 4 of 7

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

1 inch meter - Commercial

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	13	-	13	10.83%	-	0.00%
1 to 1,000	1	500	14	11.67%	500	0.02%
1,001 to 2,000	-	-	14	11.67%	500	0.02%
2,001 to 3,000	5	12,500	19	15.83%	13,000	0.54%
3,001 to 4,000	9	31,500	28	23.33%	44,500	1.85%
4,001 to 5,000	12	54,000	40	33.33%	98,500	4.09%
5,001 to 6,000	6	33,000	46	38.33%	131,500	5.46%
6,001 to 7,000	11	71,500	57	47.50%	203,000	8.42%
7,001 to 8,000	8	60,000	65	54.17%	263,000	10.91%
8,001 to 9,000	3	25,500	68	56.67%	288,500	11.97%
9,001 to 10,000	2	19,000	70	58.33%	307,500	12.76%
10,001 to 12,000	7	77,000	77	64.17%	384,500	15.95%
12,001 to 14,000	3	39,000	80	66.67%	423,500	17.57%
14,001 to 16,000	6	90,000	86	71.67%	513,500	21.31%
16,001 to 18,000	5	85,000	91	75.83%	598,500	24.83%
18,001 to 20,000	1	19,000	92	76.67%	617,500	25.62%
20,001 to 25,000	4	90,000	96	80.00%	707,500	29.35%
25,001 to 30,000	2	55,000	98	81.67%	762,500	31.64%
30,001 to 35,000	2	65,000	100	83.33%	827,500	34.33%
35,001 to 40,000	1	37,500	101	84.17%	865,000	35.89%
40,001 to 50,000	2	90,000	103	85.83%	955,000	39.62%
50,001 to 60,000	1	55,000	104	86.67%	1,010,000	41.91%
60,001 to 70,000	5	325,000	109	90.83%	1,335,000	55.39%
70,001 to 80,000	3	225,000	112	93.33%	1,560,000	64.73%
80,001 to 90,000	1	85,000	113	94.17%	1,645,000	68.25%
90,001 to 99,999	2	190,000	115	95.83%	1,835,000	76.14%
101,150	1	101,150	116	96.67%	1,936,150	80.33%
103,110	1	103,110	117	97.50%	2,039,260	84.61%
108,130	1	108,130	118	98.33%	2,147,390	89.10%
119,030	1	119,030	119	99.17%	2,266,420	94.04%
143,750	1	143,750	120	100.00%	2,410,170	100.00%
	120	2,410,170				

Average Number of Customers 10.00  
Average Consumption 20,085  
Median Consumption 7,375

Supporting Schedules:

Recap Schedules:

East Slope, Antelope Run, Indiana Consolidated  
Test Year Ended December 31, 2009

Schedule: H-5  
Title: Bill Count  
Page 5 of 7

Explanation:

Schedule(s) showing billing activity by block for each rate schedule.

1.5 inch meter - Residential

Required for: All Utilities

Class A

Class B

Class C

Class D

Speci Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills		Cumulative Consumption	
			No.	% of Total	Amount	% of Total
-	8	-	8	16.33%	-	0.00%
1 to 1,000	3	1,500	11	22.45%	1,500	0.08%
1,001 to 2,000	1	1,500	12	24.49%	3,000	0.15%
2,001 to 3,000	-	-	12	24.49%	3,000	0.15%
3,001 to 4,000	1	3,500	13	26.53%	6,500	0.33%
4,001 to 5,000	1	4,500	14	28.57%	11,000	0.57%
5,001 to 6,000	7	38,500	21	42.86%	49,500	2.55%
6,001 to 7,000	1	6,500	22	44.90%	56,000	2.88%
7,001 to 8,000	2	15,000	24	48.98%	71,000	3.65%
8,001 to 9,000	2	17,000	26	53.06%	88,000	4.53%
9,001 to 10,000	-	-	26	53.06%	88,000	4.53%
10,001 to 12,000	-	-	26	53.06%	88,000	4.53%
12,001 to 14,000	2	26,000	28	57.14%	114,000	5.86%
14,001 to 16,000	1	15,000	29	59.18%	129,000	6.64%
16,001 to 18,000	-	-	29	59.18%	129,000	6.64%
18,001 to 20,000	-	-	29	59.18%	129,000	6.64%
20,001 to 25,000	2	45,000	31	63.27%	174,000	8.95%
25,001 to 30,000	1	27,500	32	65.31%	201,500	10.37%
30,001 to 35,000	2	65,000	34	69.39%	266,500	13.71%
35,001 to 40,000	2	75,000	36	73.47%	341,500	17.57%
40,001 to 50,000	1	45,000	37	75.51%	386,500	19.88%
50,001 to 60,000	-	-	37	75.51%	386,500	19.88%
60,001 to 70,000	-	-	37	75.51%	386,500	19.88%
70,001 to 80,000	1	75,000	38	77.55%	461,500	23.74%
80,001 to 90,000	1	85,000	39	79.59%	546,500	28.11%
90,001 to 99,999	1	95,000	40	81.63%	641,500	33.00%
116,710	1	116,710	41	83.67%	758,210	39.01%
119,190	1	119,190	42	85.71%	877,400	45.14%
130,080	1	130,080	43	87.76%	1,007,480	51.83%
139,890	1	139,890	44	89.80%	1,147,370	59.03%
140,710	1	140,710	45	91.84%	1,288,080	66.26%
151,200	1	151,200	46	93.88%	1,439,280	74.04%
151,620	1	151,620	47	95.92%	1,590,900	81.84%
161,220	1	161,220	48	97.96%	1,752,120	90.14%
191,730	1	191,730	49	100.00%	1,943,850	100.00%
	49	1,943,850				

Average Number of Customers 4.08  
Average Consumption 39,670  
Median Consumption 8,250

Supporting Schedules:

Recap Schedules:

East Slope, Antelope Run, Indiada Consolidated  
Test Year Ended December 31, 2009

Schedule: H-5  
Title: Bill Count  
Page 6 of 7

Explanation:  
Schedule(s) showing billing activity by block for each rate schedule.

Required for: All Utilities

Class A

Class B

Class C

Class D

Specd Reqmt

X

1.5 inch meter - Commercial

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	4	-	4	12.12%	-	0.00%
1 to 1,000	8	4,000	12	36.36%	4,000	0.62%
1,001 to 2,000	-	-	12	36.36%	4,000	0.62%
2,001 to 3,000	1	2,500	13	39.39%	6,500	1.00%
3,001 to 4,000	1	3,500	14	42.42%	10,000	1.54%
4,001 to 5,000	1	4,500	15	45.45%	14,500	2.24%
5,001 to 6,000	-	-	15	45.45%	14,500	2.24%
6,001 to 7,000	-	-	15	45.45%	14,500	2.24%
7,001 to 8,000	-	-	15	45.45%	14,500	2.24%
8,001 to 9,000	-	-	15	45.45%	14,500	2.24%
9,001 to 10,000	-	-	15	45.45%	14,500	2.24%
10,001 to 12,000	1	11,000	16	48.48%	25,500	3.93%
12,001 to 14,000	1	13,000	17	51.52%	38,500	5.94%
14,001 to 16,000	-	-	17	51.52%	38,500	5.94%
16,001 to 18,000	-	-	17	51.52%	38,500	5.94%
18,001 to 20,000	-	-	17	51.52%	38,500	5.94%
20,001 to 25,000	1	22,500	18	54.55%	61,000	9.41%
25,001 to 30,000	3	82,500	21	63.64%	143,500	22.13%
30,001 to 35,000	5	162,500	26	78.79%	306,000	47.19%
35,001 to 40,000	3	112,500	29	87.88%	418,500	64.53%
40,001 to 50,000	2	90,000	31	93.94%	508,500	78.41%
50,001 to 60,000	-	-	31	93.94%	508,500	78.41%
60,001 to 70,000	1	65,000	32	96.97%	573,500	88.43%
70,001 to 80,000	1	75,000	33	100.00%	648,500	100.00%
80,001 to 90,000	-	-	33	100.00%	648,500	100.00%
90,001 to 99,999	-	-	33	100.00%	648,500	100.00%
>100,000	-	-	33	100.00%	648,500	100.00%
	33	648,500				

Average Number of Customers 2.75  
Average Consumption 19,652  
Median Consumption 12,500

Supporting Schedules:

Recap Schedules:

East Slope, Antelope Run, Indiada Consolidated  
Test Year Ended December 31, 2009

Schedule: H-5  
Title: Bill Count  
Page 7 of 7

Explanation:  
Schedule(s) showing billing activity by block for each rate  
schedule.

2 inch meter - Commercial

Required for: All Utilities  
Class A  
Class B  
Class C  
Class D  
Specd Reqmt

X

Block	Number of Bills by Block	Consumption By Blocks	Cumulative Bills No.	% of Total	Cumulative Consumption Amount	% of Total
-	-	-	-	0.00%	-	0.00%
1 to 1,000	-	-	-	0.00%	-	0.00%
1,001 to 2,000	-	-	-	0.00%	-	0.00%
2,001 to 3,000	-	-	-	0.00%	-	0.00%
3,001 to 4,000	-	-	-	0.00%	-	0.00%
4,001 to 5,000	4	18,000	4	11.11%	18,000	3.43%
5,001 to 6,000	3	16,500	7	19.44%	34,500	6.58%
6,001 to 7,000	3	19,500	10	27.78%	54,000	10.30%
7,001 to 8,000	3	22,500	13	36.11%	76,500	14.59%
8,001 to 9,000	2	17,000	15	41.67%	93,500	17.83%
9,001 to 10,000	2	19,000	17	47.22%	112,500	21.45%
10,001 to 12,000	2	22,000	19	52.78%	134,500	25.64%
12,001 to 14,000	3	39,000	22	61.11%	173,500	33.08%
14,001 to 16,000	1	15,000	23	63.89%	188,500	35.94%
16,001 to 18,000	1	17,000	24	66.67%	205,500	39.18%
18,001 to 20,000	1	19,000	25	69.44%	224,500	42.80%
20,001 to 25,000	4	90,000	29	80.56%	314,500	59.96%
25,001 to 30,000	6	165,000	35	97.22%	479,500	91.42%
30,001 to 35,000	-	-	35	97.22%	479,500	91.42%
35,001 to 40,000	-	-	35	97.22%	479,500	91.42%
40,001 to 50,000	1	45,000	36	100.00%	524,500	100.00%
50,001 to 60,000	-	-	36	100.00%	524,500	100.00%
60,001 to 70,000	-	-	36	100.00%	524,500	100.00%
70,001 to 80,000	-	-	36	100.00%	524,500	100.00%
80,001 to 90,000	-	-	36	100.00%	524,500	100.00%
90,001 to 99,999	-	-	36	100.00%	524,500	100.00%
>100,000	-	-	36	100.00%	524,500	100.00%
36		524,500				

Average Number of Customers 3.00  
Average Consumption 14,569  
Median Consumption 10,500

Supporting Schedules:

Recap Schedules:

# **EXHIBIT 3**



# **EXHIBIT 3**

## **ANTELOPE RUN**

COMPANY NAME: Antelope Run Water Company

Name of System:

ADEQ Public Water System Number: 02-094

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	164	1402	1421	0
FEBRUARY	164	1408	1430	0
MARCH	164	1642	1650	0
APRIL	164	2226	2244	0
MAY	164	3622	3722	0
JUNE	167	3103	3186	0
JULY	168	2644	2744	0
AUGUST	168	2743	2780	0
SEPTEMBER	168	2726	2820	0
OCTOBER	168	1428	1533	0
NOVEMBER	168	1593	1623	0
DECEMBER	168	944	1473	0
TOTALS →		25481	26626	0

What is the level of arsenic for each well on your system? <0.001 mg/l

(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for \_\_\_\_ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

( X ) Yes                      ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

( ) Yes                      ( X ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

( ) Yes                      ( X ) No

If yes, provide the GPCPD amount: \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*                      See Accountant's Compilation Report

# **EXHIBIT 3**

## **EAST SLOPE**

### WATER USE DATA SHEET

NAME OF COMPANY	East Slope Water Company
ADEQ Public Water System Number:	02-028

MONTH/YEAR (12 Months of Test Year)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)
1. January	786	5,137	5,279
2. February	788	4,151	5,330
3. March	792	5,340	5,331
4. April	791	4,238	6,659
5. May	785	9,527	10,149
6. June	782	9,006	9,009
7. July	786	8,054	8,334
8. August	789	10,329	10,674
9. September	786	8,003	8,546
10. October	788	6,501	6,847
11. November	787	7,044	7,880
12. December	781	4,511	4,959
TOTAL	N/A	81,841	88,997

Is the water utility located in an ADWR Active Management Area ("AMA")?

☐ YES      ☒ NO

Does the Company have an ADWR gallons per capita day ("GPCD") requirement?

☐ YES      ☒ NO

If Yes, please provide the GPCD amount: N/A

*Note: If you are filing for more than one system, please provide separate data sheets for each system. For explanation of any of the above, please contact the Engineering Supervisor at 602-542-7277.*

*\* Gallons pumped cannot equal or be less than the gallons sold.*

# **EXHIBIT 3**

## **INDIADA**

COMPANY NAME: Indiada Water Company

Name of System:

ADEQ Public Water System Number: 02-020

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	54	299	243	124
FEBRUARY	55	301	402	11
MARCH	55	436	505	12
APRIL	56	527	595	13
MAY	55	801	784	41
JUNE	55	703	676	37
JULY	57	567	576	10
AUGUST	56	511	507	12
SEPTEMBER	55	618	629	14
OCTOBER	55	358	412	20
NOVEMBER	56	485	506	26
DECEMBER	55	244	320	14
TOTALS →		5850	6156	334

What is the level of arsenic for each well on your system? <0.001 mg/l  
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? N/A GPM for \_\_\_\_ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?  
( X ) Yes                      ( ) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?  
( ) Yes                      ( X ) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?  
( ) Yes                      ( X ) No

If yes, provide the GPCPD amount: \_\_\_\_\_

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*      See Accountant's Compilation Report

# **EXHIBIT 4**

# **EXHIBIT 4**

## **ANTELOPE RUN**



Company Name: Antelope Run Water Company

Test Year Ended: 31-Dec-09

**WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-632904 Well 3	20	180	140	10	3	1979
55-208555 Well 5	20	200	330	8	3	2005
55-632906 Well 1	Capped due to high nitrate levels					

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

**BOOSTER PUMPS**

Horsepower	Quantity
5.0	2

**FIRE HYDRANTS**

Quantity Standard	Quantity Other

**STORAGE TANKS**

Capacity	Quantity
10,000 gal	1

**PRESSURE TANKS**

Capacity	Quantity
5,000 gal	1
1,000 gal	1

Company Name: Antelope Run Water Company

Test Year Ended: 31-Dec-09

**WATER COMPANY PLANT DESCRIPTION CONTINUED**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	1,000
3		
4	PVC	13,500
5		
6	PVC	15,500
8	PVC	100
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 x 3/4	163
3/4	
1	4
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, please list the utility owned assets in each category.

**TREATMENT EQUIPMENT:**

2 chlorinators

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**STRUCTURES:**

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**OTHER:**

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**EXHIBIT 4**

**EAST SLOPE**

Company Name: East Slope Water Company

Test Year Ended: 31-Dec-09

**WATER COMPANY PLANT DESCRIPTION****WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-805786 Well 1	20	80	549	8	3	1964
55-805787 Well 2	20	100	560	8	3	1963
55-805788 Well 3	75	40	620	12	2	1971
55-805789 Well 4	75	300	802	10	4	1977
55-551665 Well 8	5.5	60	300	6	1	1995

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

**BOOSTER PUMPS**

Horsepower	Quantity
15.0	2
30.0	2

**FIRE HYDRANTS**

Quantity Standard	Quantity Other
4	1

**STORAGE TANKS**

Capacity	Quantity
200,000 gal	1
50,000 gal	1

**PRESSURE TANKS**

Capacity	Quantity
5,000 gal	3
3,000 gal	1
1,000 gal	1
85 gal	1

Company Name: East Slope Water Company

Test Year Ended: 31-Dec-09

WATER COMPANY PLANT DESCRIPTION CONTINUED

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	28,000
3	AC	16,000
4	AC/PVC	97,000
5		
6	AC/PVC	10,000
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	792
3/4	
1	15
1 1/2	10
2	3
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, please list the utility owned assets in each category.

TREATMENT EQUIPMENT:

5 chlorinators

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STRUCTURES:

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OTHER:

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# **EXHIBIT 4**

## **INDIADA**

Company Name: Indiada Water Company Inc.

Test Year Ended: 31-Dec-09

### WATER COMPANY PLANT DESCRIPTION

#### WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (inches)	Meter Size (inches)	Year Drilled
55-805790 Davis Well	1	12	55	8	1	1970
55-805791 North Well	2	20	120	8	1	1966
55-805792 East Well	1.5	20	120	8	2	1967

\* Arizona Department of Water Resources Identification Number

#### OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Antelope Run Water Company		334

#### BOOSTER PUMPS

Horsepower	Quantity
2.0	1

#### FIRE HYDRANTS

Quantity Standard	Quantity Other

#### STORAGE TANKS

Capacity	Quantity
12,000 gal	1

#### PRESSURE TANKS

Capacity	Quantity
1,000 gal	2
85 gal	2

Company Name: Indiada Water Company Inc.

Test Year Ended: 31-Dec-09

**WATER COMPANY PLANT DESCRIPTION CONTINUED**

**MAINS**

Size (in inches)	Material	Length (in feet)
2	PVC	1,000
3	AC/PVC	10,000
4	AC	2,000
5		
6		
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 x 3/4	56
3/4	
1	1
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, please list the utility owned assets in each category.

**TREATMENT EQUIPMENT:**

2 chlorinators

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**STRUCTURES:**

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**OTHER:**

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# **EXHIBIT 5**

# **EXHIBIT 5**

## **ANTELOPE RUN**

**Arizona Department of Environmental Quality**  
**Drinking Water Monitoring and Protection Unit**  
 Mail Code 5415B-2  
 1110 West Washington Street  
 Phoenix, AZ 85007

**Drinking Water Compliance Status Report**

<b>System Name</b>	<b>System Type</b>	<b>Is system consecutive?</b>
ANTELOPE RUN	<input checked="" type="checkbox"/> Community	<input type="checkbox"/> Yes, to PWS #
<b>System ID #</b>	<input type="checkbox"/> Non-transient Non-community	<input checked="" type="checkbox"/> No
02094	<input type="checkbox"/> Transient Non-community	

<b>Overall compliance status</b>	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
<b>Monitoring and Reporting status</b>	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
Comments: None		

<b>Operation and Maintenance status</b>	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
<b>Date of last Sanitary Survey</b>	3-24-09	<b>Inspector</b> John Eyre, SRO
<b>Major unresolved/ongoing operation and maintenance deficiencies:</b>		
<input type="checkbox"/> unable to maintain 20psi <input type="checkbox"/> cross connection/backflow problems <input type="checkbox"/> treatment deficiencies <input type="checkbox"/> certified operator <input type="checkbox"/> inadequate storage <input type="checkbox"/> surface water treatment rule <input type="checkbox"/> ATC/AOC <input type="checkbox"/> other =		
Comments: None		

<b>Is an ADEQ administrative order in effect?</b>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Comments: None		

System Information	
Population Served	400
Service Connections	160
Number of Entry Points to the Distribution System	1
Number of Sources	2
Initial Monitoring Year	1993
Monitoring Assistance Program (MAP) System	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>Evaluation completed by</b>	Donna Calderon, Manager Drinking Water Monitoring and Protection Unit		
<b>Phone</b>	602-771-4641	<b>Date</b>	June 12, 2009
<input checked="" type="checkbox"/>	Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and PWS is in compliance.		
<input type="checkbox"/>	Based upon the monitoring and reporting deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and/or PWS is not in compliance.		
<input type="checkbox"/>	Based upon the operation and maintenance deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4, and/or PWS is not in compliance.		

*This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.*

**EXHIBIT 5**

**EAST SLOPE**

Arizona Department of Environmental Quality  
Drinking Water Monitoring and Protection Unit  
Mail Code 5415B-2  
1110 West Washington Street  
Phoenix, AZ 85007

Drinking Water Compliance Status Report

System Name	EAST SLOPE WATER COMPANY	System Type	<input checked="" type="checkbox"/> Community	Is system consecutive?	<input type="checkbox"/> Yes, to PWS #
System ID #	02028		<input type="checkbox"/> Non-transient Non-community		<input checked="" type="checkbox"/> No
			<input type="checkbox"/> Transient Non-community		

Overall compliance status	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
Monitoring and Reporting status	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies
Comments: None		

Operation and Maintenance status	<input checked="" type="checkbox"/> No major deficiencies	<input type="checkbox"/> Major deficiencies	
Date of last Sanitary Survey	3/5/07	Inspector	John Eyre, SRO
Major unresolved/ongoing operation and maintenance deficiencies:			
<input type="checkbox"/> unable to maintain 20psi	<input type="checkbox"/> inadequate storage		
<input type="checkbox"/> cross connection/backflow problems	<input type="checkbox"/> surface water treatment rule		
<input type="checkbox"/> treatment deficiencies	<input type="checkbox"/> atc/aoc		
<input type="checkbox"/> certified operator	<input type="checkbox"/> other =		
Comments: Recommendations made on source and distribution system.			

Is an ADEQ administrative order in effect?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Comments: None		

System Information	
Population Served	2000
Service Connections	773
Number of Entry Points to the Distribution System	7
Number of Sources	7
Initial Monitoring Year	1994
Monitoring Assistance Program (MAP) System	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Evaluation completed by	Donna Calderon, Manager <i>DC</i> Drinking Water Monitoring and Protection Unit		
Phone	602-771-4641	Date	April 22, 2009
<input checked="" type="checkbox"/>	Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4.		
<input type="checkbox"/>	Based upon the monitoring and reporting deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4.		
<input type="checkbox"/>	Based upon the operation and maintenance deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4.		

*This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.*

# **EXHIBIT 5**

## **INDIADA**

**Arizona Department of Environmental Quality**  
**Drinking Water Monitoring and Protection Unit**  
 Mail Code 5415B-2  
 1110 West Washington Street  
 Phoenix, AZ 85007

**Drinking Water Compliance Status Report**

<b>System Name</b> INDIADA WATER COMPANY	<b>System Type</b> <input checked="" type="checkbox"/> Community <input type="checkbox"/> Non-transient Non-community <input type="checkbox"/> Transient Non-community	<b>Is system consecutive?</b> <input type="checkbox"/> Yes, to PWS # <input checked="" type="checkbox"/> No
<b>System ID #</b> 02020		

<b>Overall compliance status</b> <input type="checkbox"/> No major deficiencies <input checked="" type="checkbox"/> Major deficiencies	<b>Monitoring and Reporting status</b> <input type="checkbox"/> No major deficiencies <input checked="" type="checkbox"/> Major deficiencies
Comments: The system has not submitted any Lead and Copper (Pb/Cu) results since 2005. They are required to take 10 Pb/Cu samples per year between June 1 and September 30.	

<b>Operation and Maintenance status</b> <input checked="" type="checkbox"/> No major deficiencies <input type="checkbox"/> Major deficiencies	<b>Date of last Sanitary Survey</b> 3-24-09	<b>Inspector</b> John Eyre, SRO
Major unresolved/ongoing operation and maintenance deficiencies: <input type="checkbox"/> unable to maintain 20psi <input type="checkbox"/> cross connection/backflow problems <input type="checkbox"/> treatment deficiencies <input type="checkbox"/> certified operator <input type="checkbox"/> inadequate storage <input type="checkbox"/> surface water treatment rule <input type="checkbox"/> atc/aoc <input type="checkbox"/> other =		
Comments: None		

<b>Is an ADEQ administrative order in effect?</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Comments: None

System Information	
Population Served	120
Service Connections	54
Number of Entry Points to the Distribution System	3
Number of Sources	3
Initial Monitoring Year	1995
Monitoring Assistance Program (MAP) System	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

<b>Evaluation completed by</b> Donna Calderon, Manager Drinking Water Monitoring and Protection Unit
<b>Phone</b> 602-771-4641
<b>Date</b> June 9, 2009
<input type="checkbox"/> Based upon data submitted by the water system, ADEQ has determined that this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4. <input checked="" type="checkbox"/> Based upon the monitoring and reporting deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4. <input type="checkbox"/> Based upon the operation and maintenance deficiencies noted above, ADEQ cannot determine if this system is currently delivering water that meets water quality standards required by 40 CFR 141/Arizona Administrative Code, Title 18, Chapter 4.

*This compliance status report does not guarantee the water quality for this system in the future, and does not reflect the status of any other water system owned by this utility company.*

# **EXHIBIT 6**



# **EXHIBIT 6**

## **ANTELOPE RUN**



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE

\* Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To receive a refund on an unpaid invoice, you may forfeit an amount that you believe is not in dispute. However, if you pay the invoice to a third party, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinlagen at (602) 771-4445 or toll free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10118	Invoice Number: 66309
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02094
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due \$ 684.33
	Amount Paid \$

1 Keep the top portion for your records, 1

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791  
Invoice # 66309

Annual Sampling Fee Invoice

WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	02094 - Watkins, Bob	Owner Id #: 10118 Billing for Calendar Year: 2010 Due Date: 12/11/2009	MAP
---	----------------------	--	-----

ANNUAL SAMPLING FEE WORKSHEET ARW

ENTER  
NOV - 3 2009  
BY:

Base Fee (all MAP systems) \$ 250.00  
Fee per Connection in 2010: 169 connections x \$ 2.57 \$ 434.33  
Total Sampling Fee \$ 684.33  
Plus Paid Interest Charges and/or Other Adjustments \$ 0.00  
Plus Unpaid Interest Charges as of 10/27/2009 \$ 0.00  
Minus Payments Received and/or Other Adjustments \$ 0.00  
Amount Due \$ 684.33  
Amount received by ADEQ (Make check payable to State of Arizona) \$

\* A \$17 fee will be charged for any check not honored for the bank.

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 15228  
Phoenix, AZ 85005

Check Number:
Received:
Premarked:
Entered:

173 10/25/09  
WMS/LLC

**EXHIBIT 6**

**EAST SLOPE**



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE

\*

Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount billed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10118	Invoice Number 66308
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02028
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due ..... \$ 2,365.11
	Amount Paid ..... \$

† Keep the top portion for your records. †

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 66308

WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Owner Id #: 10118 MAP
	Billing for Calendar Year: 2010
02028 - Watkins, Bob	Due Date: 12/11/2009

ANNUAL SAMPLING FEE WORKSHEET *ESW*

ENTERED  
NOV - 3 2009  
BY: \_\_\_\_\_

Base Fee (all MAP systems)	\$ 250.00
Fee per Connection in 2010	823 connections X \$ 2.57
	\$ 2,115.11
Total Sampling Fee	\$ 2,365.11
Plus Paid Interest Charges and/or Other Adjustments	\$ 0.00
Plus Unpaid Interest Charges as of 10/27/2009	\$ 0.00
Minus Payments Received and/or Other Adjustments	\$ 0.00
Amount Due	\$ 2,365.11
Amount received by ADEQ (Make check payable to State of Arizona)	\$

\*

A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered: CS3 10/27/2009 WMC006

# **EXHIBIT 6**

## **INDIADA**

THIS CHECK MUST BE PAID TO THE STATE OF ARIZONA

ADEQ Federal Tax #86604791

Annual Sampling Fee Invoice

Invoice # 66307

WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Owner Id #:	10118	MAP
	Billing for Calendar Year:	2010	
	Due Date:	12/11/2009	

02020 - Watkins, Bob

ANNUAL SAMPLING FEE WORKSHEET

ENTER  
NEW - 9 2009

Base fee (all MAP systems)	\$	250.00
Fee per Connection in 2010: 56 connections X \$ 2.57	\$	143.92
Total Sampling Fee	\$	393.92
Plus Paid Interest Charges and/or Other Adjustments	\$	0.00
Plus Unpaid Interest Charges as of 10/27/2009	\$	0.00
Minus Payments Received and/or Other Adjustments	\$	0.00
Amount Due	\$	393.92
Amount received by ADEQ (Make check payable to State of Arizona)	\$	

\* A \$13 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE

\* Pursuant to A.R.S. § 49-111, interest will be charged if full payment is not received by the specified due date. If you dispute the amount owed, please contact ADPE as soon as possible. The failure to make timely payment may result in the suspension of your permit. However, if payment is due to a utility provider, you may still be assessed a five percent penalty of up to twenty-five percent of the amount due for each month of delay of a third the amount to pay due.

If you have any questions about your invoice, contact W. Scott Steinbagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner ID #: 10118	Invoice Number 66307
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02020
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due ..... \$ 393.92
	Amount Paid ..... \$

† Keep the top portion for your records. †

# **EXHIBIT 7**



# **EXHIBIT 7**

## **ANTELOPE RUN**

Antelope Run - Monitoring Cycle/Costs per Test

Contaminant	Monitoring Cycle	# of tests per cycle	Cost per Test
Total Coliform	Monthly	1	\$ 25.00
TTHM	Yearly	2	110.00
HAA5	Yearly	2	155.00
Copper & Lead	Tri-Annually	5	33.00

# **EXHIBIT 7**

## **EAST SLOPE**

East Slope - Monitoring Cycle/Costs per Test

Contaminant	Monitoring Cycle	# of tests per cycle	Cost per Test
Total Coliform	Monthly	3	\$ 25.00
TTHM	Yearly	4	110.00
HAA5	Yearly	4	155.00
Copper & Lead	Tri-Annually	10	33.00

**EXHIBIT 7**

**INDIADA**

Indiada Water - Monitoring Cycle/Costs per Test

Contaminant	Monitoring Cycle	# of tests per cycle	Cost per Test
Total Coliform	Monthly	1	\$ 25.00
TTHM	Yearly	3	110.00
HAA5	Yearly	3	155.00
Copper & Lead	Tri-Annually	5	33.00

# **EXHIBIT 8**

# **EXHIBIT 8**

## **ANTELOPE RUN**



Turner Laboratories, Inc.

DATE: 10-Nov-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Antelope Run Water Company  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613

Work Order: 0811239

PO Number:

Order Name

Date Received 11/5/2008

Invoice Number: 811239

Payment Due Date: 10-Dec-08

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

### Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

INVOICE Total \$25.00

All invoices are due and payable net 30 days from receipt.

We accept MasterCard and Visa.

We appreciate your business.

Turner Laboratories, Inc.

DATE: 15-Dec-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Antelope Run Water Company

P.O. Box 85160

Tucson, AZ 85754

Attn: Keith Dojaquez

Phone: (520) 437-4613

Work Order: 0812434

PO Number:

Order Name

Date Received 12/10/2008

**Invoice Number: 812434**

Payment Due Date: 14-Jan-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

**Order TOTAL: \$25.00**

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.

We accept MasterCard and Visa.

We appreciate your business.

Turner Laboratories, Inc.

DATE: 12-Jan-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Antelope Run Water Company  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez  
  
Phone: (520) 437-4613  
Work Order: 0901267  
PO Number:  
Order Name  
Date Received 1/8/2009

Invoice Number: 901267

Payment Due Date: 11-Feb-09  
Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%  
Surcharge: 0.00%  
Misc Charges: \$0.00

### Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 24-Feb-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Antelope Run Water Company  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613

Work Order: 0902620

PO Number:

Order Name

Date Received 2/19/2009

Invoice Number: 902620

Payment Due Date: 26-Mar-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

### Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

# Turner Laboratories, Inc.

Invoice Date: 03/18/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
PO Box 85160  
Tucson, ARIZONA 85754  
Attn: Elaine Byfield

Phone: (520) 623-5172  
Work Order: 09C0333  
PO Number:  
Received: 03/09/2009

Invoice Number: 09C0333

Payment Due Date: 04/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 04/09/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Invoice Number: 09D0239

Phone: (520) 623-5172  
Work Order: 09D0239  
PO Number:  
Received: 04/06/2009

Payment Due Date: 05/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: **\$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 05/13/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09E0177

Phone: (520) 623-5172  
Work Order: 09E0177  
PO Number:  
Received: 05/05/2009

Payment Due Date: 06/12/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 07/16/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09G0312

Phone: (520) 623-5172  
Work Order: 09G0312  
PO Number:  
Received: 07/07/2009

Payment Due Date: 08/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



**Turner Laboratories, Inc.**

Invoice Date: 08/12/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-094

**Invoice Number: 09H0279**

Phone: (520) 623-5172  
Work Order: 09H0279  
PO Number:  
Received: 08/05/2009

Payment Due Date: 09/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00
Invoice Total:				<b>\$25.00</b>

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 08/27/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-094

Invoice Number: 09H0627

Phone: (520) 623-5172  
Work Order: 09H0627  
PO Number:  
Received: 08/18/2009

Payment Due Date: 09/28/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Cu/Pb Testing [10 day]	Drinking Water	1	\$33.00	\$33.00

Invoice Total: \$33.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 09/11/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-094

Invoice Number: 09H0567

Phone: (520) 623-5172  
Work Order: 09H0567  
PO Number:  
Received: 08/14/2009

Payment Due Date: 10/12/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Cu/Pb Testing [10 day]	Drinking Water	9	\$33.00	\$297.00
Invoice Total:				\$297.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 11/11/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Accounts Payable  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-094

Invoice Number: 09K0265

Phone: (520) 623-5172  
Work Order: 09K0265  
PO Number:  
Received: 11/04/2009

Payment Due Date: 12/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00
			Invoice Total:	\$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 12/08/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Antelope Water  
Attn: Accounts Payable  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-094

Invoice Number: 09L0180

Phone: (520) 623-5172  
Work Order: 09L0180  
PO Number:  
Received: 12/02/2009

Payment Due Date: 01/07/2010

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00
			Invoice Total:	\$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE

\* Pursuant to A.R.S. § 49-115, interest will be charged if full payment is not received by the specified due date. If you dispute the amount owed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit the amount due you believe is not in dispute. However, if payment is due to a willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10118	Invoice Number 66309
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02094
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due \$ 684.33
	Amount Paid \$

† Keep this top portion for your records. †

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Annual Sampling Fee Invoice

Invoice # 66309

WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Owner Id #: 10118 MAP Billing for Calendar Year: 2010 Due Date: 12/11/2009
---	--

02094 - Watkins, Bob

ANNUAL SAMPLING FEE WORKSHEET

ENTER  
NOV - 3 2009  
BY: \_\_\_\_\_

Base Fee (all MAP systems)	\$ 250.00
Fee per Connection in 2010: 169 connections X \$ 2.57	\$ 434.33
Total Sampling Fee	\$ 684.33
Plus Paid Interest Charges and/or Other Adjustments	\$ 0.00
Plus Unpaid Interest Charges as of 10/27/2009	\$ 0.00
Minus Payments Received and/or Other Adjustments	\$ 0.00
Amount Due	\$ 684.33
Amount received by ADEQ (Make check payable to State of Arizona)	\$

\* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18128  
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:

029 10/27/2009  
W86309G

# **EXHIBIT 8**

## **EAST SLOPE**

Turner Laboratories, Inc.

DATE: 06-Feb-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO East Slope  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613  
Work Order: 0901748  
PO Number:  
Order Name  
Date Received 1/29/2009

Invoice Number: 901748

Payment Due Date: 08-Mar-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	5	\$20.00	1	\$20.00	\$100.00

Order TOTAL: \$100.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

### Misc Comments

Subtotal: \$100.00

Payment Received: \$0.00

**INVOICE Total \$100.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



Turner Laboratories, Inc.

DATE: 12-Jan-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO East Slope  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613  
Work Order: 0901266  
PO Number:  
Order Name  
Date Received 1/8/2009

Invoice Number: 901266

Payment Due Date: 11-Feb-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	2	\$20.00	1	\$20.00	\$40.00

Order TOTAL: \$40.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

### Misc Comments

Subtotal: \$40.00

Payment Received: \$0.00

**INVOICE Total \$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 24-Feb-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO East Slope  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613  
Work Order: 0902616  
PO Number:  
Order Name  
Date Received 2/19/2009

Invoice Number: 902616

Payment Due Date: 26-Mar-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	5	\$20.00	1	\$20.00	\$100.00

Order TOTAL: \$100.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$100.00

Payment Received: \$0.00

**INVOICE Total \$100.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

# Turner Laboratories, Inc.

Invoice Date: 03/18/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
PO Box 85160  
Tucson, Arizona 85754  
Attn: Elane Byfield

Invoice Number: 09C0416

Phone: (520) 623-5172  
Work Order: 09C0416  
PO Number:  
Received: 03/11/2009

Payment Due Date: 04/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	5	\$20.00	\$100.00

Invoice Total: \$100.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

# Turner Laboratories, Inc.

Invoice Date: 03/18/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
P.O. Box 390  
Sahuarita, Arizona 85629-0390  
Attn: Elane Byfield

Invoice Number: 09C0331

Phone: (520) 623-5172  
Work Order: 09C0331  
PO Number:  
Received: 03/09/2009

Payment Due Date: 04/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

Invoice Total: \$40.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 04/09/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

**Invoice Number: 09D0240**

Phone: (520) 623-5172  
Work Order: 09D0240  
PO Number:  
Received: 04/06/2009

Payment Due Date: 05/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	5	\$20.00	\$100.00

**Invoice Total: \$100.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

# Turner Laboratories, Inc.

Invoice Date: 04/13/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Invoice Number: 09D0371

Phone: (520) 623-5172  
Work Order: 09D0371  
PO Number:  
Received: 04/08/2009

Payment Due Date: 05/13/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	6	\$20.00	\$120.00

Invoice Total: \$120.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 10-Nov-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO East Slope  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613

Work Order: 0811238

PO Number:

Order Name

Date Received 11/5/2008

Invoice Number: 811238

Payment Due Date: 10-Dec-08

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	2	\$20.00	1	\$20.00	\$40.00

Order TOTAL: \$40.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$40.00

Payment Received: \$0.00

**INVOICE Total \$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 15-Dec-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO East Slope  
P.O. Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613

Work Order: 0812431

PO Number:

Order Name

Date Received 12/10/2008

Invoice Number: 812431

Payment Due Date: 14-Jan-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	2	\$20.00	1	\$20.00	\$40.00

Order TOTAL: \$40.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$40.00

Payment Received: \$0.00

**INVOICE Total \$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



**Turner Laboratories, Inc.**

Invoice Date: 05/13/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09E0178

Phone: (520) 623-5172  
Work Order: 09E0178  
PO Number:  
Received: 05/05/2009

Payment Due Date: 06/12/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	5	\$20.00	\$100.00

Invoice Total: \$100.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 06/25/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

**Invoice Number: 09F0578**

Phone: (520) 623-5172  
Work Order: 09F0578  
PO Number:  
Received: 06/16/2009

Payment Due Date: 07/27/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

**Invoice Total: \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 07/16/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09G0318

Phone: (520) 623-5172  
Work Order: 09G0318  
PO Number:  
Received: 07/07/2009

Payment Due Date: 08/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

Invoice Total: \$40.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 07/31/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09G0483

Phone: (520) 623-5172  
Work Order: 09G0483  
PO Number:  
Received: 07/14/2009

Payment Due Date: 09/01/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
TTHM by E524.2 [10 day]	Drinking Water	2	\$150.00	\$300.00
Haloacetic Acids by 552.2 [10 day]	Drinking Water	2	\$155.00	\$310.00

Invoice Total: \$610.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 08/12/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-028

Invoice Number: 09H0280

Phone: (520) 623-5172  
Work Order: 09H0280  
PO Number:  
Received: 08/05/2009

Payment Due Date: 09/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

Invoice Total: \$40.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 06/09/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09F0193

Phone: (520) 623-5172  
Work Order: 09F0193  
PO Number:  
Received: 06/02/2009

Payment Due Date: 07/09/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

Invoice Total: \$40.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 11/11/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Elane Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-028

Invoice Number: 09K0266

Phone: (520) 623-5172  
Work Order: 09K0266  
PO Number:  
Received: 11/04/2009

Payment Due Date: 12/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

**Invoice Total: \$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 12/08/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: East Slope Water  
Attn: Keith Dojaquez  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 02-028

Invoice Number: 09L0177

Phone: (520) 623-5172  
Work Order: 09L0177  
PO Number:  
Received: 12/02/2009

Payment Due Date: 01/07/2010

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	2	\$20.00	\$40.00

Invoice Total: \$40.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.





ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE



Pursuant to A.R.S. § 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinhagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 F and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10118	Invoice Number 66308
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02028
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due ..... \$ 2,365.11
	Amount Paid ..... \$

↑ Keep the top portion for your records. ↑

ADEQ Federal Tax #866004791

↓ This entire bottom portion must be returned to ADEQ. ↓

ADEQ Federal Tax #866004791

Invoice # 66308

Annual Sampling Fee Invoice

WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Owner Id #: 10118 MAP
	Billing for Calendar Year: 2010
02028 - Watkins, Bob	Due Date: 12/11/2009

ANNUAL SAMPLING FEE WORKSHEET

ESW

ENTERED  
NOV - 3 2009  
BY: \_\_\_\_\_

Base Fee (all MAP systems)	.....	\$ 250.00
Fee per Connection in 2010	823 connections X \$ 2.57	..... \$ 2,115.11
Total Sampling Fee	.....	\$ 2,365.11
Plus Paid Interest Charges and/or Other Adjustments	.....	\$ 0.00
Plus Unpaid Interest Charges as of 10/27/2009	.....	\$ 0.00
Minus Payments Received and/or Other Adjustments	.....	\$ 0.00
Amount Due	.....	\$ 2,365.11
Amount received by ADEQ (Make check payable to State of Arizona)	.....	\$



A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18228  
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:

CS3 10/27/2009  
WM2006c

# **EXHIBIT 8**

## **INDIADA**

Turner Laboratories, Inc.

DATE: 10-Nov-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO: Indiada Water  
P.O. Box 85160  
Tucson, AZ 85160  
Attn: Keith Dojaquez

Phone: (520) 623-5172

Work Order: 0811237

PO Number:

Order Name

Date Received 11/5/2008

Invoice Number: 811237

Payment Due Date: 10-Dec-08

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.

We accept MasterCard and Visa.

We appreciate your business.

Turner Laboratories, Inc.

DATE: 15-Dec-08

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO: Indíada Water  
P.O. Box 85160  
Tucson, AZ 85160  
Attn: Keith Dojaquez

Phone: (520) 623-5172

Work Order: 0812433

PO Number:

Order Name

Date Received 12/10/2008

Invoice Number: 812433

Payment Due Date: 14-Jan-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	1	\$25.00	1	\$25.00	\$25.00

Order TOTAL: \$25.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

### Misc Comments

Subtotal: \$25.00

Payment Received: \$0.00

**INVOICE Total \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 12-Jan-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Indiada Water  
P.O. Box 85160  
Tucson, AZ 85160  
Attn: Keith Dojaquez

Phone: (520) 623-5172  
Work Order: 0901265  
PO Number:  
Order Name  
Date Received 1/8/2009

Invoice Number: 901265

Payment Due Date: 11-Feb-09  
Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	2	\$20.00	1	\$20.00	\$40.00

Order TOTAL: \$40.00

Discount: 0.00%  
Surcharge: 0.00%  
Misc Charges: \$0.00

### Misc Comments

Subtotal: \$40.00

Payment Received: \$0.00

**INVOICE Total \$40.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 06-Feb-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Indiada Water  
P.O. Box 85160  
Tucson, AZ 85160  
Attn: Keith Dojaquez

Phone: (520) 623-5172

Work Order: 0901749

PO Number:

Order Name

Date Received 1/29/2009

Invoice Number: 901749

Payment Due Date: 08-Mar-09

Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	5	\$20.00	1	\$20.00	\$100.00

Order TOTAL: \$100.00

Discount: 0.00%

Surcharge: 0.00%

Misc Charges: \$0.00

Misc Comments

Subtotal: \$100.00

Payment Received: \$0.00

INVOICE Total \$100.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

DATE: 24-Feb-09

Remit To: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745  
  
Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX (520) 882-9788

## INVOICE

Invoice TO Indiada Water  
P.O. Box 85160  
Tucson, AZ 85160  
Attn: Keith Dojaquez

Phone: (520) 623-5172  
Work Order: 0902617  
PO Number:  
Order Name  
Date Received 2/19/2009

Invoice Number: 902617

Payment Due Date: 26-Mar-09  
Payment Terms: Net 30 Days

Item	Remarks	Matrix	Qty	Unit Price	Mult	List Price	Test Total
Total Coliform by Colilert Method		Drinking Wat	5	\$20.00	1	\$20.00	\$100.00

Order TOTAL: \$100.00

Discount: 0.00%  
Surcharge: 0.00%  
Misc Charges: \$0.00

### Misc Comments

Subtotal: \$100.00

Payment Received: \$0.00

**INVOICE Total \$100.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 03/18/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
PO Box 85160  
Tucson, AZ 85754  
Attn: Keith Dojaquez

Phone: (520) 437-4613  
Work Order: 09C0334  
PO Number:  
Received: 03/09/2009

**Invoice Number: 09C0334**

Payment Due Date: 04/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

**Invoice Total: \$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



Turner Laboratories, Inc.

Invoice Date: 04/09/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Keith Dojaquez  
PO Box 85160  
Tucson, AZ 85754

Invoice Number: 09D0242

Phone: (520) 437-4613  
Work Order: 09D0242  
PO Number:  
Received: 04/06/2009

Payment Due Date: 05/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 05/13/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Keith Dojaquez  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09E0184

Phone: (520) 437-4613  
Work Order: 09E0184  
PO Number:  
Received: 05/05/2009

Payment Due Date: 06/12/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 06/09/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Keith Dojaquez  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09F0192

Phone: (520) 437-4613  
Work Order: 09F0192  
PO Number:  
Received: 06/02/2009

Payment Due Date: 07/09/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 07/16/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Keith Dojaquez  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09G0314

Phone: (520) 437-4613  
Work Order: 09G0314  
PO Number:  
Received: 07/07/2009

Payment Due Date: 08/17/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: **\$25.00**

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 07/31/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water

Invoice Number: 09G0481

Phone: (520) 623-5172  
Work Order: 09G0481  
PO Number:  
Received: 07/14/2009

Payment Due Date: 09/01/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
TTHM by E524.2 [10 day]	Drinking Water	3	\$150.00	\$450.00
Haloacetic Acids by 552.2 [10 day]	Drinking Water	3	\$155.00	\$465.00

Invoice Total: \$915.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

**Turner Laboratories, Inc.**

Invoice Date: 08/12/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 20-020

Invoice Number: 09H0275

Phone: (520) 623-5172  
Work Order: 09H0275  
PO Number:  
Received: 08/05/2009

Payment Due Date: 09/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 08/27/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

**INVOICE**

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 20-020

Invoice Number: 09H0626

Phone: (520) 623-5172  
Work Order: 09H0626  
PO Number:  
Received: 08/18/2009

Payment Due Date: 09/28/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Cu/Pb Testing [10 day]	Drinking Water	1	\$33.00	\$33.00

Invoice Total: \$33.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 09/11/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Elaine Byfield  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 20-020

Invoice Number: 09H0566

Phone: (520) 623-5172  
Work Order: 09H0566  
PO Number:  
Received: 08/14/2009

Payment Due Date: 10/12/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Cu/Pb Testing [10 day]	Drinking Water	9	\$33.00	\$297.00

Invoice Total: \$297.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



Turner Laboratories, Inc.

Invoice Date: 11/11/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Accounts Payable  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 20-020

Invoice Number: 09K0267

Phone: (520) 437-4613  
Work Order: 09K0267  
PO Number:  
Received: 11/04/2009

Payment Due Date: 12/11/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00
Invoice Total:				\$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.

Turner Laboratories, Inc.

Invoice Date: 12/08/2009

Remit to: Turner Laboratories, Inc.  
2445 North Coyote Drive, Suite 104  
Tucson, AZ 85745

## INVOICE

Attn: Accounts Receivable  
TEL: (520) 882-5880 FAX: (520) 882-9788

Invoice To: Indiada Water  
Attn: Accounts Payable  
PO Box 85160  
Tucson, AZ 85754

Project Name: Drinking Water 20-020

Invoice Number: 09L0176

Payment Due Date: 01/07/2010

Phone: (520) 437-4613  
Work Order: 09L0176  
PO Number:  
Received: 12/02/2009

Payment Terms: Net 30 Days

Analysis/Description	Matrix	Quantity	Unit Cost	Extended Cost
Coliform by Colilert [10 day]	Drinking Water	1	\$25.00	\$25.00

Invoice Total: \$25.00

All invoices are due and payable net 30 days from receipt.  
We accept MasterCard and Visa.  
We appreciate your business.



ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY  
MONITORING ASSISTANCE PROGRAM  
ANNUAL SAMPLING FEE INVOICE

\* Pursuant to A.R.S. § 49-360 I<sup>st</sup>, invoices will be charged if full payment is not received by the specified due date. If you dispute the amount billed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if dispositive is due to unpaid backlogs, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

If you have any questions about your invoice, contact W. Scott Steinbagen at (602) 771-4445 or toll-free within Arizona at (800) 234-5677, extension 771-4445.

Pursuant to A.R.S. § 49-360 I<sup>st</sup> and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the monitoring assistance program to be collected from all public water systems..."

Owner Id #: 10118	Invoice Number 66307
To: WATKINS, BOB PO BOX 85160 TUCSON AZ 85754	Public Water System ID #: 02020
	Billing for Calendar Year: 2010
	Due Date: December 11, 2009
	Total Amount Due . . . . . \$ 393.92
	Amount Paid . . . . . \$

† Keep the top portion for your records. †

Annual Sampling Fee Invoice

ADEQ Federal Tax #866004791  
Invoice # 66307

WATKINS, BOB  
PO BOX 85160  
TUCSON AZ 85754

02020 - Watkins, Bob

Owner Id #: 10118 MAP  
Billing for Calendar Year: 2010  
Due Date: 12/11/2009

ANNUAL SAMPLING FEE WORKSHEET

ENTER  
NOV - 9 2009

Base Fee (all MAP systems)	\$ 250.00
Fee per Connection in 2010: 56 connections X \$ 2.57	\$ 143.92
Total Sampling Fee	\$ 393.92
Plus Paid Interest Charges and/or Other Adjustments	\$ 0.00
Plus Unpaid Interest Charges as of 10/27/2009	\$ 0.00
Minus Payments Received and/or Other Adjustments	\$ 0.00
Amount Due	\$ 393.92
Amount received by ADEQ (Make check payable to State of Arizona)	\$

\* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona  
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Mail to: Arizona Department of Environmental Quality  
PO Box 18728  
Phoenix, AZ 85005

Check Number:
Received:
Postmarked:
Entered:

# **EXHIBIT 9**

Antelope Run Water Company

0030

AR0506

WTR	6044030	192510	204.01
SFT			1.25
MET			0.00
SUR			
Tax			12.44

MICHAEL GEARTY  
1500 CHOCTAW DR  
SIERRA VISTA, AZ 85650

1500 CHOCTAW

06/23/2009

304.06

04/23/2009 05/28/2009 86.36

0030

AR0506

5851520 06/23/2009 304.06

Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

Antelope Run Water Company

0030

AR0506

WTR	6168630	124600	136.10
SFT			0.81
MET			0.00
SUR			
Tax			8.30

MICHAEL GEARTY  
1500 CHOCTAW DR  
SIERRA VISTA, AZ 85650

1500 CHOCTAW

07/24/2009

145.21

05/28/2009

06/29/2009

0.00

0030

AR0506

6044030

07/24/2009

145.21

Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

Antelope Run Water Company

0030

AR0506

WTR	6429710	106900	118.40
SFT			0.69
MET			0.00
SUR			
Tax			7.22

MICHAEL GEARTY  
1500 CHOCTAW DR  
SIERRA VISTA, AZ 85650

1500 CHOCTAW

10/20/2009

126.31

08/28/2009

09/29/2009

0.00

0030

AR0506

6322810

10/20/2009

126.31

Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110



Antelope Run Water Company

0123                      AR1510

WTR	2833150	180720	192.22
SFT			1.17
MET			0.00
SUR			
Tax			11.73

ROBERT HEBERT  
5076 S CALLE ENCINA  
ANTELOPE RUN EQUESTRIAN  
SIERRA VISTA, AZ 85650-8972

5076 CALLE ENCINA		06/23/2009	205.12
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04/23/2009	05/28/2009	0.00	0123	AR1510
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2652430	06/23/2009	205.12
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Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

Antelope Run Water Company

0123                      AR1510

WTR	2982540	149390	160.89
SFT			0.97
MET			0.00
SUR			
Tax			9.81

ROBERT HEBERT  
5076 S CALLE ENCINA  
ANTELOPE RUN EQUESTRIAN  
SIERRA VISTA, AZ 85650-8972

5076 CALLE ENCINA	07/24/2009	171.67
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05/28/2009	06/29/2009	0.00	0123	AR1510
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2833150	07/24/2009	171.67
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Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

Antelope Run Water Company

0123                      AR1510

WTR	3107330	124790	136.29
SFT			0.81
MET			0.00
SUR			
Tax			8.31

ROBERT HEBERT  
5076 S CALLE ENCINA  
ANTELOPE RUN EQUESTRIAN  
SIERRA VISTA, AZ 85650-8972

5076 CALLE ENCINA	08/20/2009	145.41
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06/29/2009	07/29/2009	0.00	0123	AR1510
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2982540	08/20/2009	145.41
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Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

Antelope Run Water Company

0123                      AR1510

WTR	3285070	177740	189.24
SFT			1.16
MET			0.00
SUR			
Tax			11.54

ROBERT HEBERT  
5076 S CALLE ENCINA  
ANTELOPE RUN EQUESTRIAN  
SIERRA VISTA, AZ 85650-8972

5076 CALLE ENCINA	09/19/2009	201.94
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07/29/2009	08/28/2009	0.00	0123	AR1510
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3107330	09/19/2009	201.94
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Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

Antelope Run Water Company

0123                      AR1510

WTR	3480910	195840	207.34
SFT			1.27
MET			0.00
SUR			
Tax			12.65

ROBERT HEBERT  
5076 S CALLE ENCINA  
ANTELOPE RUN EQUESTRIAN  
SIERRA VISTA, AZ 85650-8972

5076 CALLE ENCINA		10/20/2009	221.26
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08/28/2009	09/29/2009	0.00	0123	AR1510
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3285070	10/20/2009	221.26
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Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

Antelope Run Water Company

0056                      AR1702

WTR	2540120	143750	172.50
SFT			0.93

0.00

SUR

Tax

10.52

KEN MC CRAY  
PO BOX 2605  
SIERRA VISTA, AZ 85636-2605

840 YAQUI

06/23/2009

183.95

04/23/2009	05/28/2009	0.00
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0056

AR1702

2396370	06/23/2009	183.95
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Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

Antelope Run Water Company

0056

AR1702

WTR 2659150 119030 147.78

SFT 0.77

0.00

SUR

Tax

9.01

KEN MC CRAY

PO BOX 2605

SIERRA VISTA, AZ 85636-2605

840 YAQUI

07/24/2009

157.56

05/28/2009

06/29/2009

0.00

0056

AR1702

2540120

07/24/2009

157.56

Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

Antelope Run Water Company

0116

AR1208

WTR	8596360	101150	129.90
SFT			0.66
MET			0.00
SUR			
Tax			7.92

MIRNA YOUSSEF  
2000 E SIERRA VIEW LANE  
SIERRA VISTA, AZ 85650-

2000 SIERRA VIEW LANE

06/23/2009

138.48

04/23/2009

05/28/2009

0.00

0116

AR1208

8495210

06/23/2009

138.48

Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110



Antelope Run Water Company

0116

AR1208

WTR	8704490	108130	136.88
SFT			0.70
MET			0.00
SUR			
Tax			8.35

MIRNA YOUSSEF  
2000 E SIERRA VIEW LANE  
SIERRA VISTA, AZ 85650-

2000 SIERRA VIEW LANE

07/24/2009

145.93

05/28/2009 06/29/2009 0.00

0116

AR1208

8596360 07/24/2009 145.93

Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

Antelope Run Water Company

0116                      AR1208

WTR	8807600	103110	131.86
SFT			0.67
MET			0.00
SUR			
Tax			8.04

MIRNA YOUSSEF  
2000 E SIERRA VIEW LANE  
SIERRA VISTA, AZ 85650-

2000 SIERRA VIEW LANE	08/20/2009	140.57
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06/29/2009	07/29/2009	0.00	0116	AR1208
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8704490	08/20/2009	140.57
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Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #110

East Slope Water Co.

0161

E10450

WTR	9325930	126590	228.05
SFT			0.82
SUR			0.00
Tax			13.91

JIM/LORRAINE BARNETT  
4219 GARDNER  
SIERRA VISTA, AZ 85650-

4219 GARDNER

10/03/2009

238.83

08/10/2009

09/09/2009

-3.95

0161

E10450

9199340

10/03/2009

238.83

Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #104

East Slope Water Co.

0400

E21830

WTR	1085120	144140	252.06
SFT			0.94
SUR			0.00
Tax			15.38

JAMES L BERRY  
5035 SANTA CLAUS AVE  
SIERRA VISTA, AZ 85650-

5035 SANTA CLAUS

06/19/2009

268.38

04/09/2009

05/12/2009

0.00

0400

E21830

940980

06/19/2009

268.38

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Billing Questions: Call Extension #104

East Slope Water Co.

0605 E30340

WTR	2135850	165110	287.92
SFT			1.07
SUR			0.00
Tax			17.56

CHURCH OF CHRIST AT RAMSEY RD  
4215 RAMSEY RD  
SIERRA VISTA, AZ 85650-

5551 SANTA ELENA	10/03/2009	306.55
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08/11/2009	09/10/2009	0.00	0605	E30340
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1970740	10/03/2009	306.55
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Billing Questions: Call Extension #104

East Slope Water Co.

0177

E10520

WTR	890060	119360	209.69
SFT			0.78
SUR			0.00
Tax			12.79

ERNEST KEESEE  
4115 GARDNER  
SIERRA VISTA, AZ 85650-

4115 GARDNER

06/19/2009

223.26

04/08/2009

05/11/2009

0.00

0177

E10520

770700

06/19/2009

223.26

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Billing Questions: Call Extension #104

East Slope Water Co.

0177

E10520

WTR	170900	63600	114.34
SFT			0.41
SUR			0.00
Tax			6.97

ERNEST KEESEE  
4115 GARDNER  
SIERRA VISTA, AZ 85650-

4115 GARDNER

08/10/2009

121.72

06/08/2009 07/08/2009

0.00

0177

E10520

107300 08/10/2009 121.72

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East Slope Water Co.

0177                      E10520

WTR	279470	108570	191.23
SFT			0.71
SUR			0.00
Tax			11.67

ERNEST KEESEE  
4115 GARDNER  
SIERRA VISTA, AZ 85650-

4115 GARDNER		09/09/2009	203.61
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07/08/2009	08/10/2009	0.00	0177	E10520
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170900	09/09/2009	203.61
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East Slope Water Co.

0177

E10520

WTR	89720	810250	1391.11
SFT			5.27
SUR			0.00
Tax			84.86

ERNEST KEESEE  
4115 GARDNER  
SIERRA VISTA, AZ 85650-

4115 GARDNER

10/03/2009

1481.24

08/10/2009

09/09/2009

0.00

0177

E10520

279470 10/03/2009 1481.24

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Billing Questions: Call Extension #104

East Slope Water Co.

0053

E10151

WTR	856640	108540	191.18
SFT			0.71
SUR			0.00
Tax			11.66

JEANE MCNEIL  
4611 S SANTA LUCIA AVE  
SIERRA VISTA, AZ 85650

4611 SANTA LUCIA

07/16/2009

203.55

05/11/2009

06/08/2009

0.00

0053

E10151

748100

07/16/2009

203.55

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Billing Questions: Call Extension #104

East Slope Water Co.

0085 E10231

WTR	5661080	138190	241.88
SFT			0.90
SUR			0.00
Tax			14.75

JUANITA MEGARGEE  
4055 S SANTA LUCIA  
SIERRA VISTA, AZ 85650

4055 SANTA LUCIA	08/10/2009	257.53
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06/08/2009	07/09/2009	0.00	0085	E10231
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5522890	08/10/2009	257.53
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Billing Questions: Call Extension #104

East Slope Water Co.

0085

E10231

WTR	5859990	114980	202.20
SFT			0.75
SUR			0.00
Tax			12.33

JUANITA MEGARGEE  
4055 S SANTA LUCIA  
SIERRA VISTA, AZ 85650

4055 SANTA LUCIA

10/03/2009

215.28

08/10/2009

09/09/2009

0.00

0085

E10231

5745010

10/03/2009

215.28

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Billing Questions: Call Extension #104

East Slope Water Co.

1035

E30439

WTR	1562850	146590	256.25
SFT			0.95
SUR			7.60
Tax			16.09

LE ANN POWELL  
1555 E BUSBY DR #C305  
SIERRA VISTA, AZ 85635-

5251 SAN PAULO

12/05/2009

608.45

10/08/2009

11/12/2009

327.56

1035

E30439

1416260

12/05/2009

608.45

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Billing Questions: Call Extension #104

East Slope Water Co.

1035

E30439

WTR	1692180	129330	226.73
SFT			0.84
SUR			7.60
Tax			14.29

LE ANN POWELL  
1555 E BUSBY DR #C305  
SIERRA VISTA, AZ 85635-

5251 SAN PAULO

12/31/2009

857.91

11/12/2009

12/09/2009

608.45

1035

E30439

1562850

12/31/2009

857.91

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Billing Questions: Call Extension #104

East Slope Water Co.

11150

E10590

WTR	944100	197030	702.50
SFT			1.28
			0.00
Tax			42.85

RED ARROW CONSTRUCTION  
ATTN: CRAIG HALLS  
2302 E. JENSEN ST.  
MESA, AZ 85213

4110 A ANDERSON

09/09/2009

746.63

03/30/2006

08/10/2009

0.00

11150

E10590

747070

09/09/2009

746.63

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Billing Questions: Call Extension #104

East Slope Water Co.

0658 E30680

WTR	517800	102280	180.48
SFT			0.66
SUR			0.00
Tax			11.01

CLAYTON STEHMAN  
5256 SAN PEDRO  
SIERRA VISTA, AZ 85650-

5256 SAN PEDRO		04/19/2009	192.15
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02/09/2009	03/10/2009	0.00	0658	E30680
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415520	04/19/2009	192.15
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Billing Questions: Call Extension #104



East Slope Water Co.

0658                      E30680

WTR	721940	125670	220.48
SFT			0.82
SUR			0.00
Tax			13.45

CLAYTON STEHMAN  
5256 SAN PEDRO  
SIERRA VISTA, AZ 85650-

5256 SAN PEDRO	06/19/2009	234.75
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04/07/2009	05/12/2009	0.00	0658	E30680
------------	------------	------	------	--------

596270	06/19/2009	234.75
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Visit our website at [www.southwesternutility.com](http://www.southwesternutility.com)  
Billing Questions: Call Extension #104

East Slope Water Co.

0658 E30680

WTR	854250	132310	231.83
SFT			0.86
SUR			0.00
Tax			14.14

CLAYTON STEHMAN  
5256 SAN PEDRO  
SIERRA VISTA, AZ 85650-

5256 SAN PEDRO	07/16/2009	246.83
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05/12/2009	06/08/2009	0.00	0658	E30680
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721940	07/16/2009	246.83
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Billing Questions: Call Extension #104

East Slope Water Co.

0658                      E30680

WTR	6150	151900	265.33
SFT			0.99
SUR			0.00
Tax			16.19

CLAYTON STEHMAN  
5256 SAN PEDRO  
SIERRA VISTA, AZ 85650-

5256 SAN PEDRO		08/10/2009	282.51
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06/08/2009	07/09/2009	0.00	0658	E30680
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854250	08/10/2009	282.51
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East Slope Water Co.

0658

E30680

WTR	126710	120560	211.74
SFT			0.78
SUR			0.00
Tax			12.92

CLAYTON STEHMAN  
5256 SAN PEDRO  
SIERRA VISTA, AZ 85650-

5256 SAN PEDRO

09/09/2009

225.44

07/09/2009	08/11/2009	0.00	0658	E30680
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6150	09/09/2009	225.44
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Billing Questions: Call Extension #104

East Slope Water Co.

0658

E30680

WTR	228890	102180	180.31
SFT			0.66
SUR			0.00
Tax			11.00

CLAYTON STEHMAN  
5256 SAN PEDRO  
SIERRA VISTA, AZ 85650-

5256 SAN PEDRO

10/03/2009

191.97

08/11/2009

09/10/2009

0.00

0658

E30680

126710

10/03/2009

191.97

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Billing Questions: Call Extension #104

East Slope Water Co.

0658 E30680

WTR	383040	154150	269.18
SFT			1.00
SUR			0.00
Tax			16.42

CLAYTON STEHMAN  
5256 SAN PEDRO  
SIERRA VISTA, AZ 85650-

5256 SAN PEDRO	11/01/2009	286.60
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09/10/2009	10/08/2009	0.00	0658	E30680
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228890	11/01/2009	286.60
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East Slope Water Co.

0771

E40010

WTR	4118680	151200	280.13
SFT			0.98
			0.00
Tax			17.09

VISTA CARE FACILITY LLC  
1131 EAGLETREE LANE  
HUNTSVILLE, AL 35801-

4120 RAMSEY RD

02/24/2009

298.20

12/10/2008

01/13/2009

0.00

0771

E40010

3967480 02/24/2009 298.20

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Billing Questions: Call Extension #104

East Slope Water Co.

0771

E40010

WTR 4237870 119190 225.39  
SFT 0.77

Tax 0.00 13.75

VISTA CARE FACILITY LLC  
1131 EAGLETREE LANE  
HUNTSVILLE, AL 35801-

4120 RAMSEY RD

03/22/2009

239.91

01/13/2009 02/09/2009 0.00

0771

E40010

4118680 03/22/2009 239.91

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East Slope Water Co.

0771

E40010

WTR	4354580	116710	221.15
SFT			0.76

			0.00
Tax			13.49

VISTA CARE FACILITY LLC  
1131 EAGLETREE LANE  
HUNTSVILLE, AL 35801-

4120 RAMSEY RD

04/19/2009

235.40

02/09/2009

03/11/2009

0.00

0771

E40010

4237870

04/19/2009

235.40

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Billing Questions: Call Extension #104

East Slope Water Co.

0771

E40010

WTR 4586590 140710 262.19  
SFT 0.91

Tax 0.00  
15.99

VISTA CARE FACILITY LLC  
1131 EAGLETREE LANE  
HUNTSVILLE, AL 35801-

4120 RAMSEY RD

06/19/2009

279.09

04/08/2009 05/11/2009

0.00

0771

E40010

4445880 06/19/2009 279.09

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Billing Questions: Call Extension #104

East Slope Water Co.

0771

E40010

WTR	4738210	151620	280.85
SFT			0.99
			0.00
Tax			17.13

VISTA CARE FACILITY LLC  
1131 EAGLETREE LANE  
HUNTSVILLE, AL 35801-

4120 RAMSEY RD

07/16/2009

298.97

05/11/2009

06/08/2009

0.00

0771

E40010

4586590 07/16/2009 298.97

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Billing Questions: Call Extension #104

East Slope Water Co.

0771

E40010

WTR	4953430	139890	260.79
SFT			0.91

0.00

Tax

15.91

VISTA CARE FACILITY LLC  
1131 EAGLETREE LANE  
HUNTSVILLE, AL 35801-

4120 RAMSEY RD

09/09/2009

277.61

07/08/2009

08/10/2009

0.00

0771

E40010

4813540

09/09/2009

277.61

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East Slope Water Co.

0771

E40010

WTR	5145160	191730	349.44
SFT			1.25

0.00

Tax

21.32

VISTA CARE FACILITY LLC  
1131 EAGLETREE LANE  
HUNTSVILLE, AL 35801-

4120 RAMSEY RD

10/03/2009

372.01

08/10/2009

09/09/2009

0.00

0771

E40010

4953430

10/03/2009

372.01

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East Slope Water Co.

0771

E40010

WTR 5306380 161220 297.27  
SFT 1.05

Tax 0.00 18.13

VISTA CARE FACILITY LLC  
1131 EAGLETREE LANE  
HUNTSVILLE, AL 35801-

4120 RAMSEY RD

11/01/2009

316.45

09/09/2009 10/07/2009 0.00

0771

E40010

5145160 11/01/2009 316.45

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East Slope Water Co.

0771

E40010

WTR	5436460	130080	244.02
SFT			0.85
SUR			7.60
Tax			15.35

VISTA CARE FACILITY LLC  
1131 EAGLETREE LANE  
HUNTSVILLE, AL 35801-

4120 RAMSEY RD

12/05/2009

267.82

10/07/2009

11/11/2009

0.00

0771

E40010

5306380 12/05/2009 267.82

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East Slope Water Co.

1186

E20340

WTR 1511260 125130 219.55  
SFT 0.81

0.00  
Tax 13.39

ANDREW VOCK  
4916 S SAN PAULO AVE  
SIERRA VISTA, AZ 85650

4916 SAN PAULO

04/19/2009

233.75

02/09/2009 03/10/2009 0.00

1186

E20340

1386130 04/19/2009 233.75

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Billing Questions: Call Extension #104



**ESARIN WATER COMPANY**  
**DETAILED LISTING OF CUSTOMER BILLING IN EXCESS OF 100K GALLONS**

Acct #	Last	First	Address	Meter No	Meter Size	Bill Date	Usage
<b>Antelope Run</b>							
1 0116	YOUSSEF	MIRNA	2000	SIERRA VIEW LANE	98464115	1" METER	6/8/2009 101,150
2 0116	YOUSSEF	MIRNA	2000	SIERRA VIEW LANE	98464115	1" METER	7/9/2009 108,130
3 0116	YOUSSEF	MIRNA	2000	SIERRA VIEW LANE	98464115	1" METER	8/5/2009 103,110
4 0056	MC CRAY	KEN	840	YAQUI	20950020	1" METER	6/8/2009 143,750
5 0056	MC CRAY	KEN	840	YAQUI	20950020	1" METER	7/9/2009 119,030
6 0030	GEARTY	MICHAEL	1500	CHOCTAW	98304132	5/8" METER	6/8/2009 192,510
7 0030	GEARTY	MICHAEL	1500	CHOCTAW	98304132	5/8" METER	7/9/2009 124,600
8 0030	GEARTY	MICHAEL	1500	CHOCTAW	98304132	5/8" METER	9/30/2009 106,900
9 0123	HEBERT	ROBERT	5076	CALLE ENCINA	65940388	5/8" METER	6/8/2009 180,720
10 0123	HEBERT	ROBERT	5076	CALLE ENCINA	65940388	5/8" METER	7/9/2009 149,390
11 0123	HEBERT	ROBERT	5076	CALLE ENCINA	65940388	5/8" METER	8/5/2009 124,790
12 0123	HEBERT	ROBERT	5076	CALLE ENCINA	65940388	5/8" METER	9/4/2009 177,740
13 0123	HEBERT	ROBERT	5076	CALLE ENCINA	65940388	5/8" METER	9/30/2009 195,840
<b>East Slope</b>							
14 0053	MCNEIL	VANCE	4611	SANTA LUCIA	18734686	5/8" METER	6/30/2009 108,540
15 0085	MEGARGEE	JUANITA	4055	SANTA LUCIA	95079107	5/8" METER	7/25/2009 138,190
16 0085	MEGARGEE	JUANITA	4055	SANTA LUCIA	95079107	5/8" METER	9/18/2009 114,980
17 0161	BARNETT	JIM/LORRAI	4219	GARDNER	31378206	1" METER	9/18/2009 126,590
18 0177	KEESE	ERNEST	4115	GARDNER	18036468	5/8" METER	6/4/2009 119,360
19 0177	KEESE	ERNEST	4115	GARDNER	18036468	5/8" METER	6/30/2009 217,240
20 0177	KEESE	ERNEST	4115	GARDNER	18036468	5/8" METER	8/24/2009 108,570
21 0177	KEESE	ERNEST	4115	GARDNER	18036468	5/8" METER	9/18/2009 810,250
22 0400	BERRY	JAMES	5035	SANTA CLAUS	67287805	5/8" METER	6/4/2009 144,140
23 0605	CHURCH OF		5551	SANTA ELENA	99877091	5/8" METER	9/18/2009 165,110
24 0658	STEHMAN	CLAYTON	5256	SAN PEDRO	20828200	5/8" METER	4/4/2009 102,280
25 0658	STEHMAN	CLAYTON	5256	SAN PEDRO	20828200	5/8" METER	6/4/2009 125,670
26 0658	STEHMAN	CLAYTON	5256	SAN PEDRO	20828200	5/8" METER	6/30/2009 132,310
27 0658	STEHMAN	CLAYTON	5256	SAN PEDRO	20828200	5/8" METER	7/25/2009 151,900
28 0658	STEHMAN	CLAYTON	5256	SAN PEDRO	20828200	5/8" METER	8/24/2009 120,560
29 0658	STEHMAN	CLAYTON	5256	SAN PEDRO	20828200	5/8" METER	9/18/2009 102,180
30 0658	STEHMAN	CLAYTON	5256	SAN PEDRO	20828200	5/8" METER	10/16/2009 154,150
31 0771	VISTA CARE		4120	RAMSEY RD	95113558	1 1/2" METER	2/7/2009 151,200
32 0771	VISTA CARE		4120	RAMSEY RD	95113558	1 1/2" METER	3/7/2009 119,190
33 0771	VISTA CARE		4120	RAMSEY RD	95113558	1 1/2" METER	4/4/2009 116,710
34 0771	VISTA CARE		4120	RAMSEY RD	95113558	1 1/2" METER	6/4/2009 140,710
35 0771	VISTA CARE		4120	RAMSEY RD	95113558	1 1/2" METER	6/30/2009 151,620
36 0771	VISTA CARE		4120	RAMSEY RD	95113558	1 1/2" METER	8/24/2009 139,890
37 0771	VISTA CARE		4120	RAMSEY RD	95113558	1 1/2" METER	9/18/2009 191,730
38 0771	VISTA CARE		4120	RAMSEY RD	95113558	1 1/2" METER	10/16/2009 161,220
39 0771	VISTA CARE		4120	RAMSEY RD	95113558	1 1/2" METER	11/20/2009 130,080
40 1035	POWELL	LE ANN	5251	SAN PAULO	96733256	5/8" METER	11/20/2009 146,590
41 1035	POWELL	LE ANN	5251	SAN PAULO	96733256	5/8" METER	12/16/2009 129,330
42 1186	VOCK	ANDREW	4916	SAN PAULO	93409293	5/8" METER	4/4/2009 125,130
43 11150	RED ARROW	WATER	4110 A	ANDERSON	32882775	5/8" METER	8/24/2009 197,030

**ORIGINAL NEW APPLICATION**

Steve Wene, No. 019630  
MOYES SELLERS & SIMS LTD.  
1850 N. Central Avenue, Suite 1100  
Phoenix, Arizona 85004  
(602)-604-2189

**RECEIVED**

2010 MAY -7 P 4: 02

Attorneys for East Slope Water Company

AZ CORP COMMISSION  
DOCKET CONTROL

**BEFORE THE ARIZONA CORPORATION COMMISSION**

Arizona Corporation Commission

**DOCKETED**

MAY -7 2010

**COMMISSIONERS**

KRISTIN K. MAYES, CHAIRMAN  
GARY PIERCE  
PAUL NEWMAN  
SANDRA D. KENNEDY  
BOB STUMP

DOCKETED BY

ne

W-01906A-10-0183

CONSOLIDATED APPLICATION OF  
EAST SLOPE WATER COMPANY, INC.;  
INDIADA WATER COMPANY, INC.; and  
ANTELOPE RUN WATER COMPANY  
FOR AUTHORITY TO INCUR LONG-  
TERM DEBT

Docket No. W-01906A-10-

**FINANCE APPLICATION**

**EXHIBIT**

**A-5**

**ADMITTED**

Pursuant to A.R.S. § 40-301 *et seq.* and A.A.C. R14-3-106(F), the East Slope Water Company, Indiada Water Company, and Antelope Run Water Company ("Companies" or "Applicants"), hereby apply for authority to incur debt to finance water system improvements. This application is consolidated for financial purposes because the Companies are seeking to consolidate into one entity as well. To be clear, the Companies are proposing that the East Slope Water Company will be the entity that will continue to operate the water systems if the Arizona Corporation Commission ("Commission") approves the proposed asset transfers.

1 **PRELIMINARY STATEMENT**

2 East Slope Water Company ("Company"), is a public service corporation subject  
3 to regulation by the Commission as a water utility. The Company holds a Certificate of  
4 Convenience and Necessity ("CC&N") in the area of Sierra Vista, Arizona.  
5

6 The Company is seeking to finance improvements to water production and  
7 distribution systems, which will cost an estimated \$3,000,000.00. The Company  
8 previously applied to the Water Infrastructure Finance Authority ("WIFA") for a loan to  
9 finance the requisite equipment improvements and WIFA placed the Company on its  
10 2010 Drinking Water Revolving Fund Priority List. However, the Company anticipates  
11 filing a substantially revised WIFA 2011 Priority List Application because the Company  
12 is seeking to consolidate with two neighboring water companies (Indiada Water  
13 Company and Antelope Run Water Company), as well as limit its debt. Accordingly, the  
14 Company is requesting authority to borrow no more than \$3,000,000.00 from WIFA to  
15 make system improvements to the proposed consolidated systems.  
16  
17  
18

19 **INFORMATION REQUESTED ON APPLICATION FORM**

20  
21 **1. Applicant's Name and Address.**

22 East Slope Water Company  
23 Bonnie O'Connor  
24 P.O. Box 85160  
25 Tucson, Arizona 85754  
26 Telephone: (520) 623-5172  
27 Facsimile: (520) 792-0377  
28

1     **2.     Person Authorized to Receive Communications.**

2             Steve Wene, Esq.  
3             Moyes Sellers & Sims Ltd.  
4             1850 North Central Ave., Suite 1100  
5             Phoenix, Arizona 85004  
6             Telephone: (602) 604-2189  
7             Facsimile: (602) 274-9135

8     **3. Financing Description.**

9             If the Commission authorizes the proposed debt, then the Company will seek to  
10            finalize with WIFA a \$3,000,000 loan for 20 to 30 years through the Drinking Water  
11            Revolving Fund. WIFA does not offer finance terms until the Commission authorizes  
12            water providers like the Company to incur debt. The Company understands that the  
13            Commission and WIFA have a standard working arrangement to accommodate WIFA's  
14            loan practices. Accordingly, Commission staff may want to contact the following WIFA  
15            staff person:

16            Angie Valenzuela  
17            Senior Loan Officer  
18            Water Infrastructure Finance Authority  
19            1110 W. Washington Street, Suite 290  
20            Phoenix, Arizona 85007

21     **4.     Proceeds Statement.**

22            Gross proceeds will be \$3,000,000. WIFA has a combined interest and fee rate  
23            structure, so there are no issuance expenses. This means that the Company will net  
24            \$3,000,000.00 from the proposed loan.

25     **5.     Plant to be Acquired Using Net Proceeds.**

26            The proceeds will be used to interconnect the systems and make other reasonable  
27            improvements as identified in the Opinion of Probable Costs set forth in Exhibit 1.

28     **6.     Consistency with A.R.S. § 40-301 *et seq.***

            The proposed financing is: (a) within the Company's corporate powers; (b)  
            compatible with the public interest; (c) compatible with sound financial practices;

1 (d) compatible with the proper performance by the applicant of service as a public service  
2 corporation; and (e) will not impair the Company's ability to perform that service.

3 **7. Service Fees.**

4 WIFA does not charge service fees. Under WIFA's combined interest and fee rate  
5 structure, the Company anticipates paying a fixed interest rate of prime plus 2%  
6 multiplied by a subsidy rate index set by WIFA.

7 **8. Documents to be executed in the matter.**

8 There are no documents to be executed in the matter at this time.

9 **9. Pro Forma Balance Sheet and Income Statement.**

10 A Company pro forma balance sheet is attached as Exhibit 2. A Company  
11 pro forma income statement is attached as Exhibit 3.

12 **10. Customer Notice.**

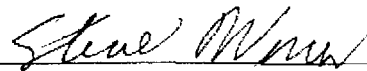
13 The Commission required notice will be inserted in the customers' next bill. The  
14 Company will file with the Commission a copy of the actual notice sent and an affidavit  
15 stating when it was sent to the customers.

16 **REQUEST FOR APPROVAL**

17  
18 As set forth in this Application, the Company requests that the Commission  
19 authorize the financing described herein.

20 DATED this 7<sup>th</sup> day of May, 2010.

21  
22 **MOYES SELLERS & SIMS LTD.**

23   
24 \_\_\_\_\_

25 Steve Wene

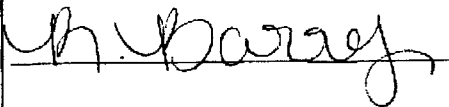
26 Attorneys for East Slope Water Company

27 ////

28 ////

1 Original and 13 copies of the foregoing  
2 filed this 7<sup>th</sup> day of May, 2010, with:

3  
4 Docket Control  
5 Arizona Corporation Commission  
6 1200 West Washington  
7 Phoenix, Arizona 85007

8   
9

# EXHIBIT 1

# EAST SLOPE WATER COMPANY OPINION OF PROBABLE COST

(Consolidated with Antelope Run Water Company and Indiada Water Company)

ITEM NO.	ITEM DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	EXTENDED PRICE	NOTES
	Zone 1 (currently East Slope main system) New Transmission and Distribution mains					
1	4 inch Class 200 PVC Pipe	28,000	LF	\$18.00	\$504,000.00	Replace old 2 inch distribution pipe between Camino Principal and Glenn rd.
2	New Transmission 6 inch Class 200 PVC Pipe from	4,700	LF	\$28.00	\$131,600.00	Install to fill new 250,000 gallon storage tank
3	12 inch Class 200 PVC pipe	6500	LF	\$65.00	\$422,500.00	New interconnection line between East Slope and existing Antelope Run
4	Jack and Bore	300	LF	\$1,700.00	\$510,000.00	Jack and Bore under HWY 92 to interconnect Zone 1 to Zone 2
5	Well site 4 Improvements					
6	250,000 gallon storage tank	1	LS	\$1.00	\$250,000.00	New storage tank at well site 4
7	Onsite Generator 350 KW	1	LS	\$64,500.00	\$64,500.00	Backup power at well site 4
8	Booster pumps	2 @ 350 gpm	EA	\$877.00	\$1754.00	Replace old pumps at well site 4 to distribute water to the zone 1 East Slope system.
9	Fittings, valves, check valve and manifold set up	1	LS	\$15,000.00	\$15,000.00	This is for well site 1 only
10	Electrical	1	LS	\$45,000.00	\$45,000.00	Upgrade electrical at well site 1
	Subtotal				\$1,944,354.00	
	Zone 2 (currently Antelope Run water) Transmission and Distribution mains					
1	4 inch Class 200 PVC Pipe	2,500	LF	\$18.00	\$45,000.00	Replace old 2 inch distribution pipe throughout the system between Kachina trail and Poncho Trail
	Well site 3 and 5 Improvements					
2	150,000 gallon storage tank	1	LS	\$1.00	\$150,000.00	New storage tank at well site 3 and 5
3	Onsite Generator 350 KW	1	LS	\$64,500.00	\$64,500.00	Backup power at well site 3 and 5
4	Booster pumps	2 @ 350 gpm	EA	\$877.00	\$1754.00	Install new pumps to transfer water to Poncho Trail booster site
5	Fittings, valves, check valve and manifold set up	1	LS	\$15,000.00	\$15,000.00	This is for well site 3 and 5 only
6	Electrical	1	LS	\$45,000.00	\$45,000.00	Upgrade electrical at well site 3 and 5
	Poncho Trail Booster site					
7	50,000 gallon storage tank	1	LS	\$1.00	\$50,000.00	New storage tank at booster site from well site 3 and 5
8	Booster pumps	2 @ 350 gpm	EA	\$877.00	\$1754.00	Replace old pumps to distribute water to the system from this site.
9	Electrical	1	LS	\$45,000.00	\$45,000.00	Upgrade electrical at Poncho Trail booster site
10	Onsite Generator 350 KW	1	LS	\$64,500.00	\$64,500.00	Backup power at Poncho Trail booster site
11	Fittings, valves, check valve and manifold set up	1	LS	\$15,000.00	\$15,000.00	This is for Poncho Trail booster site only
	Subtotal				\$497,508.00	
	Zone 3 (currently Indiada water) Transmission and Distribution mains					
1	4 inch Class 200 PVC Pipe	1000	LF	\$18.00	\$18,000.00	Replace old 2 inch distribution pipe throughout the system
2	4 inch Class 200 PVC Pipe	10,000	LF	\$18.00	\$180,000.00	Replace old 3 inch distribution pipe throughout the system
3	6 inch Class 200 PVC pipe	500	LF	\$28.00	\$14,000.00	Upgrade the Interconnection line to a 6 inch on the existing Antelope run and Indiada water
	Subtotal				\$212,000.00	



	Total				\$2,653,862.00	
	Administration and legal fees	Appx. 2% of Construction Cost			\$48,905.46	
	Engineering Fees	5% of Construction Cost			\$132,693.10	
	Survey, Geotech, etc	5% of Construction Cost			\$132,693.10	
	Project inspection fees	1.2% of Construction Cost			\$31,846.34	
			TOTAL		\$3,000,000.00	

Completed By: Keith Dojaquez, CCL 5-6-10  
Southwestern Utility Management, Inc

# EXHIBIT 2

**East Slope/Antelope Run/Indiada Consolidated Water Company**  
**Balance Sheet as of 12/31/09**  
**Including Proforma Adjustments for WIFA Financing**

Acct. No.	ASSETS	TEST YEAR END BALANCE @ 12/31/2009	WIFA LOAN PROFORMA ADJUSTMENTS	TEST YEAR END 12/31/2009 ADJUSTED FOR WIFA LOAN
	<b>CURRENT AND ACCRUED ASSETS</b>			
131	Cash	\$ 10,461		\$ 10,461
134	Working Funds			
135	Temporary Cash Investments			-
141	Customer Accounts Receivable	(6,723)		(6,723)
146	Notes/Receivables from Associated Companies	15,114		15,114
151	Plant Material and Supplies	-		-
162	Prepayments			-
174	Miscellaneous Current and Accrued Assets	3,000		3,000
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	<b>\$ 21,852</b>	<b>\$ -</b>	<b>\$ 21,852</b>
	<b>FIXED ASSETS</b>			
101	Utility Plant in Service	\$ 911,132	\$ 3,000,000	\$ 3,911,132
103	Property Held for Future Use			
105	Construction Work In Progress	2,854		2,854
108	Accumulated Depreciation - Utility Plant ("AD-UP")	(526,856)		(526,856)
121	Non-Utility Property			
122	Accumulated Depreciation - Non Utility ("AD-NU")			
	<b>TOTAL FIXED ASSETS</b>	<b>\$ 387,130</b>	<b>\$ 3,000,000</b>	<b>\$ 3,387,130</b>
	<b>TOTAL ASSETS</b>	<b>\$ 408,982</b>	<b>\$ 3,000,000</b>	<b>\$ 3,408,982</b>

**East Slope/Antelope Run/Indiada Consolidated Water Company**  
**Balance Sheet as of 12/31/09 (continued)**  
**Includes Proforma Adjustments for WIFA Financing**

Acct. No.	LIABILITIES	TEST YEAR END BALANCE @ 12/31/2009	WIFA LOAN PROFORMA ADJUSTMENTS	TEST YEAR END 12/31/2009 ADJUSTED FOR WIFA LOAN
	<b>CURRENT LIABILITIES</b>			
231	Accounts Payable	\$ 89,203		\$ 89,203
232	Notes Payable (Current Portion)			-
234	Notes/Accounts Payable to Associated Companies	35,114		35,114
235	Customer Deposits	27,723		27,723
236	Accrued Taxes	(19)		(19)
237	Accrued Interest			-
241	Miscellaneous Current and Accrued Liabilities			-
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 152,021	\$ -	\$ 152,021
	<b>LONG-TERM DEBT (Over 12 Months)</b>			
224	Long-Term Notes and Bonds	\$ 155,423	\$ 3,000,000	\$ 3,155,423
	<b>DEFERRED CREDITS</b>			
251	Unamortized Premium on Debt			
252	Advances in Aid of Construction	\$ 47,579		\$ 47,579
255	Accumulated Deferred Investment Tax Credits	-		
271	Gross Contributions in Aid of Construction			-
272	Less: Amortization of contributions			-
281	Accumulated Deferred Income Tax			-
	<b>TOTAL DEFERRED CREDITS</b>	\$ 47,579	\$ -	\$ 47,579
	<b>TOTAL LIABILITIES</b>	\$ 355,023	\$ 3,000,000	\$ 3,355,023
	<b>CAPITAL ACCOUNTS</b>			
201	Common Stock Issued	\$ 46,300		\$ 46,300
211	Paid in Capital in Excess of Par Value	38,996		38,996
215	Retained Earnings	(49,890)		(49,890)
218	Proprietary Capital (Sole Props and Partnerships)	\$ 18,553		18,553
	<b>TOTAL CAPITAL</b>	\$ 53,959	\$ -	\$ 53,959
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 408,982	\$ 3,000,000	\$ 3,408,982

# EXHIBIT 3

**East Slope/Antelope Run/Indiada Consolidated Water Company**  
**Income Statement from January through December of 2009**  
**Includes Proforma and WIFA Financing Adjustments**

Description	Actual for Test Year Ended 31-Dec-09	Proforma Adjustments Including WIFA Loan	Test Year Results After Pro Forma Adjustments	Proposed Rate Increase	Adjusted Test Year With Rate Increase
<b>Operating Revenues:</b>					
461 Metered Water Revenue	\$ 281,796	\$ -	\$ 281,796	\$ 413,616	\$ 695,412
461.1 Surcharge Revenue	14,519	(14,519)	0		
474 Other Water Revenue	3,724		3,724		3,724
<b>Total Operating Revenue</b>	<b>\$ 300,040</b>	<b>\$ (14,519)</b>	<b>\$ 285,521</b>	<b>\$ 413,616</b>	<b>\$ 699,136</b>
<b>Operating Expenses:</b>					
601 Salaries & Wages	\$ (958)	\$ 958	\$ -		\$ -
610 Purchased Water	1,700	(1,700)	-		-
615 Purchased Power	72,314	-	72,314		72,314
618 Chemicals	792	-	792		792
620 Repairs & Maintenance	15,953	-	15,953		15,953
621 Office Supplies and Expense	13,078	-	13,078		13,078
630 Outside Services	126,817	-	126,817		126,817
635 Water Testing	8,008	-	8,008		8,008
641 Rental Expense	-	-	-		-
650 Transportation Expense	21,419	-	21,419		21,419
657 Insurance - General Liability	6,565	-	6,565		6,565
659 Insurance - Health and Life	-	-	-		-
666 Rate Case Expense	4,618	8,000	12,618		12,618
675 Miscellaneous Expense	229	-	229		229
403 Depreciation & Amortization	27,353	128,813	156,166		156,166
408 Property Taxes	(169)	169	-		-
408.1 Taxes Other Than Income	19,976	-	19,976		19,976
409 Income Taxes	7,521	(108,775)	(101,254)	165,488	64,234
<b>Total Operating Expenses</b>	<b>\$ 325,216</b>	<b>\$ 27,465</b>	<b>\$ 352,681</b>	<b>\$ 165,488</b>	<b>\$ 518,169</b>
<b>OPERATING INCOME/(LOSS)</b>	<b>\$ (25,176)</b>	<b>\$ (41,984)</b>	<b>\$ (67,160)</b>	<b>\$ 248,128</b>	<b>\$ 180,968</b>
<b>Other Income/(Expense):</b>					
419 Interest Income	\$ -		\$ -	\$ -	\$ -
421 Non-Utility Income	-		-		-
426 Misc Non-Utility Expenses	-		-		-
427 Interest Expense	(1,550)	(147,965)	(149,515)		(149,515)
<b>Total Other Income/(Expense)</b>	<b>\$ (1,550)</b>	<b>\$ (147,965)</b>	<b>\$ (149,515)</b>	<b>\$ -</b>	<b>\$ (149,515)</b>
<b>NET INCOME/(LOSS)</b>	<b>\$ (26,726)</b>	<b>\$ (189,949)</b>	<b>\$ (216,675)</b>	<b>\$ 248,128</b>	<b>\$ 31,453</b>

**East Slope/Antelope Run/Indiada Consolidated Water Company**  
**Utility Plant in Service and Depreciation Expense**  
**Includes Proforma Adjustments for WIFA Financing**

Acct. No.	Description	ORIGINAL COST @ TEST YEAR END 12/31/2009	WIFA LOAN PROFORMA ADJUSTMENTS	TEST YEAR INCLUDING WIFA ADJUSTMENTS	PROPOSED DEPRECIATION RATES	PROPOSED DEPRECIATION EXPENSE
301	Organization					
302	Franchises	\$ 2,180		\$ 2,180		
303	Land and Land Rights	1,194		1,194		\$ -
304	Structures and Improvements	2,014		2,014	3.3300%	67
307	Wells and Springs	103,027		103,027	3.3300%	3,431
310	Power Generation Equipment	-	218,738	218,738	5.0000%	10,937
311	Electric Pumping Equipment	365,545	158,556	524,101	12.5000%	65,513
320	Water Treatment Equipment	-		-		-
320.1	Water Treatment Plants	-		-	3.3300%	-
320.2	Solution Chemical Feeders	-		-	20.0000%	-
330	Distrib Reservoirs/Standpipes	3,167		3,167	3.6100%	114
330.1	Storage Tanks	26,421	508,693	535,114	2.2200%	11,880
330.2	Pressure Tanks	-		-	5.0000%	-
331	Transmission and Distrib Mains	311,056	2,114,013	2,425,069	2.0000%	48,501
333	Services	-		-	3.3300%	-
334	Meters	13,426		13,426	8.3300%	1,118
335	Hydrants	-		-	2.0000%	-
336	Backflow Prevention Devices	-		-	6.6700%	-
339	Other Plant & Misc Equipment	-		-	6.6700%	-
340	Office Furniture and Equip	15,119		15,119	6.6700%	1,008
340.1	Computers & Software	-		-	20.0000%	-
341	Transportation Equipment	67,983		67,983	20.0000%	13,597
343	Tools, Shop & Garage Equip.			-	5.0000%	-
344	Laboratory Equipment			-	10.0000%	-
345	Power Operated Equipment			-	5.0000%	-
346	Communications Equipment			-	10.0000%	-
347	Miscellaneous Equipment			-	10.0000%	-
348	Other Tangible Plant			-	5.0000%	-
	<b>TOTALS</b>	<b>\$ 911,132</b>	<b>\$ 3,000,000</b>	<b>\$ 3,911,132</b>		<b>\$ 156,166</b>